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FINANCIAL TIMES

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NEWS SUMMARY

GENERAL

Begin makes plans on U.S.

...e of negotiations on the ...East accelerated yester... Mr. Menahem Begin, ... Prime Minister, arrived ...tedly early in Washing... with proposals for an settlement.

...uro, direct negotiations ... Egyptian and Israeli ...ons began in the presence ...sentatives of the U.S. and ... In their inaugural ...both sides stressed that ...re seeking a comprehen... settlement and not a bi... Egyptian-Israeli agree... ...ck and Page 6

...ten jailed

...Menten, the 79-year-old ...illionaire art collector, ...risoned for 15 years by ...erdam court for his part ...mass execution of Polish ...ring 1941. His seven... ...rial had centred on the ...shumation of about 150 ...from graves in two vill... ...lier this year. Page 4

...orders study

...ny Hetherington, the ... of Public Prosecutions, ...ered a study into his ...bilities and arrangements ...olice for investigating ...criminal offences. The ...llows a report on the ...Confait case by a former ...court judge which criti... ...e way police prepared ...against the youths ...to be involved in the

...corde talks

...of avoiding a disruption ...cordes services between ...and Singapore appear to ...because of delays in ...talks to overcome the ...the airliner from flying ... Malaysian airspace. ...The 50,000th passenger ...on Concorde will arrive ...hrow today

...e men guilty

...n will be sentenced to... ...ublin's Special Criminal ...ter being found guilty ...es connected with last ... siege at a cash and ...re in the city. Eight ...en claimed to be mem... ...the Provisional IRA and ...to recognise the no-jury

...ing for trial

...eating, the 60-year-old ...tist, is to go on trial at ...Bailey on nine charges ...to his works sold as ...earlier, better known. ...He was sent for trial ...with Lionel Evans (46), ...que dealer by Wells ...agistrates.

...ival spirit

...community leader who ...an of the 1976 Notting ...nival development com ...was cleared at Maryle... ...Magistrates Court of ...arising from a three... ...llee street party in ...Leighton Darcus Howe ...ed using threatening

...

...t of a strike on The ...appeared to have been ...after journalists accepted ...a to settle a pay dispute. ...travans, over 1,525kg. un... ...ight and three years old ...are to be included in ...f test from January 1.

...Charles is to be made a ...unsellor on Tuesday.

...n an East German village ...n birth to an animal that ...to be half goat and half ...cross considered ...ble. Locals now suspect ...he ram.

...ney at next year's Wim... ...tennis championships is ...ng by £61,000 to £279,023.

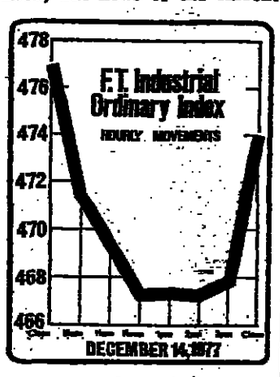
...snow reports to Europe's ...resorts; Page 2

BUSINESS

Dollar falls as Bonn warns U.S.

● **DOLLAR plunged sharply on foreign exchange markets following Bundesbank warnings to the U.S. that a continued collapse of the dollar could be damaging for German economic growth. Back Page. The U.S. intervened to support the dollar, but its trade-weighted depreciation widened to 4.34 per cent. (3.83). STERLING closed 70 points up at $1.8475, its index unchanged at 63.4.**

● **EQUITIES were down 9.7 at noon, but news of the current account surplus raised the FT Ordinary index to 478.0, only 2.9 down on the day.**



● **GILTS interest was triggered by the trade returns and longs put on up to ¾. The Government Securities Index closed 0.45 up at 76.31.**

● **GOLD rose $2¼ to $160¼.**

● **WALL STREET was 2.08 up at 817.31.**

● **SOVIET UNION growth targets for 1978 are low compared with last year, with heavy industrial production target the lowest since the War. Back and Page 4; Editorial comment, Page 22.**

● **STEEL PRODUCTION is expected to have fallen by up to seven per cent. on last year, when figures from the private and public sectors are collated. Page 9.**

● **SUPERSTORES and hypermarkets should be built within existing urban areas rather than on the outskirts of towns where they can only be reached by car.**

● **MINERS in South Wales, Yorkshire and Kent have issued writs against their union leaders over the executive's decision to allow incentive schemes in the coal industry. Page 14**

Toy maker in receivership

● **TRIANG-PEDIGREE, the Merthyr-based toy manufacturer, is to be put into receivership, following a decision by Airfix not to support it further without renewed Government help.**

● **WESTMINSTER PRESS Group is resuming its newspaper publications at Darlington after four months, but without the co-operation of its National Union of Journalists employees. Page 14**

● **SUNDERLAND Shipbuilders, whose fitters declined to handle part of the Polish ships order recently, have won a £9m. order from a Unilever subsidiary for a 16,500 deadweight ton cargo vessel. Back Page.**

COMPANIES

● **THOMAS TILLING has made a $26m. cash offer for Clarksons Industries of the U.S. Page 27**

● **TRAFALGAR HOUSE profit for the year to September 30 were £46.4m. against £33.6m. on turnover up from £471m. to £587m. Page 26 and Lex**

● **ASSOCIATED DAIRIES pre-tax profit advanced from £9.56m. to £11.48m. on turnover of £246m. (£196m.) for the year to October 29. Page 26**

PRICE CHANGES YESTERDAY

(In pence unless otherwise indicated)

RISES

...fpc 1992	£92	+ ¾
...72pc 2012-15	£76¾	+ ½
...d	144	+ 4
...t	505	+ 40
...	222	+ 7
...B	267	+ 9
...	864	+ 14
...Corp.	230	+ 9
...rs Dfd.	309	+ 5
...er	121	+ 6
...ield	483	+ 13
...l	470	+ 9
...alem	£30½	+ ½
...dein	39½	+ 3¼

FALLS

...ute	135	− 22
...(H. P.)	124	− 10
Caird (Dundee)	14	− 3
Elbar Indstrl.	210	− 10
Electrocomponents	350	− 13
Fisons	373	− 10
Glaxo	572	− 23
Grattan Warehouses	134	− 7
Guinness (A.)	186	− 9
Haslemere Estates	232	− 6
House of Fraser	134	− 4
IC Gas	370	− 8
Laurence Scott	103	− 6
Lucas Inds.	262	− 7
Lynton Hldgs.	114	− 4
Phoenix Timber	162	− 13
Racal Elec.	192	− 8
Simon Engrg.	205	− 7
Tarmac	134	− 6
Tate and Lyle	200	− 4
Thomson Org.	631	− 14
Warnford Invs.	272	− 6
Tricentrol	178	− 4
Ultramar	222	− 6

Pressure on Steel fails to end pact with Labour

BY RICHARD EVANS, LOBBY EDITOR

The Lib-Lab pact sustaining Mr. James Callaghan's minority Government in office was rescued by Mr. David Steel, the Liberal Party leader, last night following attempts by some Liberal MPs to abandon it.

The Liberal leader was under heavy pressure all day from colleagues to end the agreement as the 13 Liberal MPs agonised over the consequences of the Commons vote rejecting a form of proportional representation for the elections to the European Assembly.

But at a meeting of Liberal MPs called last night to decide the future of the pact, it was agreed to keep it in operation, for the time being at least.

Mr. Steel then met the Prime Minister for the second time in the day to tell him of the decision, and to warn him that in future the agreement would come under much sharper scrutiny.

The Liberals were particularly incensed at the group of Ministers and Labour MPs who defied Mr. Callaghan and voted against proportional representation. This was regarded by Liberals as a repudiation of the pact.

Mr. Steel warned Mr. Callaghan that the same group, nearly all Left-wingers, would seek to oppose further key elements in the pact later in the session. If this happened the pact would again be jeopardised.

Although the signs are that Mr. Callaghan can count on Liberal support for some time yet, another hurdle to be faced by Mr. Steel will probably come next month at a special assembly almost certain to be called by the Liberal Party to discuss the pact.

A large element in the hostility of Liberal MPs yesterday towards the pact was the recognition that the party rank-and-file was becoming increasingly disillusioned with the benefits of the pact to the party, and agitating for its abandonment.

EEC reaction Page 4
Parliament Page 19

The danger for Mr. Steel now is that the opponents of the pact, having smelt blood, will be keener than ever to find a more suitable issue on which to withdraw from the agreement.

A decision to abandon the pact, taken against the advice and wishes of Mr. Steel, would not necessarily have forced the Prime Minister into a political crisis and an early General Election.

The Government would still have received general support from most Ulster Unionists, and many Nationalists would not be keen on an election before the devolution legislation was through Parliament.

But what it could do was to give the Prime Minister less scope for continuing in office into 1979 if he considered Labour had a better chance of victory in a late election.

Significantly, Mr. Callaghan had earlier tried to calm election speculation at a meeting of Labour's National Executive Committee when colleagues spoke of a poll next year. The Premier declared: "I want to make it crystal clear that 1979 is also an option."

The force of the Liberal tide against continuing the pact came as a sharp blow to Mr. Steel, who has based his political philosophy on seeking power and influence by maintaining a moderate Labour administration in office.

He was clearly taken aback by the weight of opposition, led by Mr. John Pardoe, Mr. Richard Wainwright and Mr. Emlyn Hooson.

It had seemed after a painful and at times bitter 2½-hour meeting of the Liberals in the morning that the pact stood little chance unless Mr. Callaghan was prepared to offer the Liberals more in the way of specific promises.

But this he did not do at a half-hour meeting with Mr. Steel at the Commons. The Liberal leader reported on the mood of frustration and disillusionment among his colleagues, but Mr. Callaghan said that the Liberals' attitude after the Commons vote on proportional representation was a matter for them.

The Prime Minister's view was that the Cabinet had done more than enough to meet the requirements of the pact.

Current account surplus rises to £218m.

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

THE U.K. HAD a current account surplus in November for the fourth month running, although there are now signs that the rate of growth of exports is slowing down.

The surplus last month was £218m., compared with a revised figure of £191m. in October, and the U.K. now has a net surplus of £12m. so far this year.

The news was well received by the foreign exchange market but the rise in sterling of 70 points to $1.8475, the highest level since the start of the float six weeks ago, mainly reflected the dollar's weakness. The trade-weighted index was unchanged at 63.4.

The £27m. increase in both the visible trade and current account surplus last month resulted mainly from a 1½ per cent. rise in the terms of trade index—the ratio of export to import prices—following the rise in sterling in early November.

Both export and import volume fell sharply—down by 4½ and 5 per cent. respectively — following big declines in October as well.

The U.S. East Coast dock strike has affected the figures but a geographical breakdown shows that this is not the only reason for a drop of nearly 2 per cent. in export volume on a three-month comparison.

BALANCE OF PAYMENTS

Current Account £m., seasonally adjusted

		Visible trade	Invisibles	Current account
1976	1st	−538	+473	− 65
	2nd	−907	+557	−350
	3rd	−1,144	+698	−446
	4th	−982	+616	−366
1977	1st	−930	+414	−516
	2nd	−698	+418	−280
	3rd	− 50	+449	+399
	July	−241	+149	− 92
	Aug.	+140	+150	+290
	Sept.	+ 51	+150	+201
	Oct.	+ 46	+145	+191
	Nov.	+ 73	+145	+218

Source: Department of Trade

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Bank of England Bulletin
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Sales to Europe outside the EEC and to oil-exporting countries also have fallen back from buoyant summer levels.

There may still be benefits to come from the fall in the pound last year after a rise in export volume of about 6 per cent. in the last year. However, the latest figures suggest that the market slowdown in the growth of world trade could now be acting as a brake on U.K. exports.

Prospects may be affected also by an erosion of price competitiveness resulting from the steady rise in export prices, as reflected in the 4½ per cent. increase in the terms of trade index on a three-month comparison.

Import volume was ½ per cent. lower (excluding North Sea rigs) on a three-month comparison while prices were 1½ per cent. down.

The growth of import volume is expected to accelerate next year, reflecting the projected recovery in consumer spending with the result that only a small further improvement in the non-oil current account balance is generally envisaged.

The Bank of England Quarterly Bulletin, for example, estimates that rising North Sea oil production will account for more than two-thirds of the £1¾bn. rise to £2¼bn. in the current account surplus next year.

Japan to cut tariffs as trade negotiator goes to Brussels

BY DOUGLAS RAMSEY TOKYO, Dec. 14.

JAPAN WILL ulilaterally cut tariffs on 318 products from next April and the Government has instructed its chief trade negotiator to fly to Brussels for talks with Mr. Roy Jenkins, EEC Commission president.

Mr. Nobuhiko Ushiba, Japan's Minister for External Economic Relations, leaves Washington for Brussels to-morrow evening to present the EEC with the same package of import liberalisation measures offered to the U.S. in talks this week.

The tariff cuts and quota increases announced simultaneously by several Ministries in Tokyo to-day are the same ones written into the liberalisation package, which includes offers on orderly exports, a reduction in non-tariff barriers and an increase in development aid among other concessions.

In spite of U.S. criticism that Japan's import liberalisation package is not sufficient to turn round Japan's massive current account surplus, the Government of Mr. Takeo Fukuda went ahead to-day with plans to cut import duties on 318 products by an average 23 per cent. from next April, though many individual cuts are as smal las 1 per cent. The move, which was not made conditional on U.S. acceptance of other elements in Japan's liberalisation package, appears to have been made in a bid to soften U.S. distrust of Japan's intentions.

Since tariff cuts require approval by the Diet (Parliament) work must now begin on enabling legislation, which the Ministry of Finance reckons can be adopted by next March.

Mr. Ushiba was told by U.S. Congressmen yesterday of the ill-feeling on Capitol Hill over the trade imbalance between the U.S. and Japan. However, senior U.S. Administration officials indicated that they believed Japan accepted that its current account may have to move into deficit. Page 5

Mr. Ushiba has met all week with members of the U.S. Administration, notably Mr. Robert Strauss, the U.S. Special Trade representative. Mr. Strauss was expected to travel to Tokyo later this month to pursue the negotiations, but it is now expected that he will postpone his trip until after another visit by Mr. Ushiba to Washington in early January.

David Buchan writes from Strasbourg: Mr. Jenkins was clearly pleased to give the European Parliament here the news that Mr. Ushiba will visit Brussels. Indeed, since the EEC heads of Government last week instructed Mr. Jenkins to "intensify" the Commission's contacts with the newly shuffled Fukuda Government, some of the EEC's fears that it is being ignored by Tokyo now seem unfounded.

EEC officials calculate, after a first look at the tariff cuts, that they will benefit about 15 per cent. or $500m.-worth of the Common Market's exports to Japan, compared with 5 per cent. of U.S. exports.

However, the EEC is looking for further measures, such as the removal of non-tariff barriers, to reduce its deficit with Japan, which looks likely to be more than $5bn. in 1977. This is smaller than Japan's expected $8bn. trade surplus with the U.S. this year, but EEC-Japan trade is much smaller

£ in New York

—	December 15	Previous
Spot	$1.8425-8435	$1.8320-8340
1 month	0.03-0.05prem.	0.08-0.12 prem.
3 months	0.10-0.15prem.	0.19-0.24 prem.
12 months	0.25-0.35 dis	0.07 dis-0.07pm

Booth to back ACAS changes

By Christian Tyler and Nick Garnett

MR. ALBERT BOOTH, Employment Secretary, is understood to be supporting changes in the law designed to prevent repetition of yesterday's far-reaching House of Lords decision in the Grunwick case.

The five Law Lords unanimously upheld an Appeal Court ruling invalidating a recommendation by the Advisory, Conciliation and Arbitration Service that the clerical union, APEX should be recognised at the Grunwick film processing company.

The Lords said the recommendation was void because ACAS had failed to gain the opinions of all groups of workers at the North London firm.

Mr. Jim Mortimer, the chairman of ACAS, said the ruling would be "harmful" for industrial relations. Mr. George Ward, Grunwick's managing director, said the judgement completely vindicated his company's stand.

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The need to re-shape A... Page 22

The National Association for Freedom, the law and order group supporting Grunwick, called for the scrapping of ACAS and the Employment Protection Act.

As the union is still pursuing its recognition claim, ACAS is now obliged under law to try to carry out another—and fuller—opinion survey at Grunwick.

The proposed changes to the Employment Protection Act backed by Mr. Booth are contained in two Private Members' Bills still being drafted and due for second reading next month. No joint ministerial decision has been made yet, but the Bills' sponsors, after talks with Mr. Booth, the TUC and ACAS, are confident of Government support for the general principles.

The first Bill, from Mr. Ted Fletcher, a former APEX official, and Labour MP for Darlington, would alter the ACAS recognition procedure to help prevent a cour ruling against it where an employer had been unco-operative. It may place an obligation on the employer to co-operate and provide a general time limit of six weeks.

The second, from Mr. Ian Mikardo, ASTMS-sponsored Labour MP for Tower Hamlets, would remove what has been one of the main planks of Mr. Ward's case. It would allow industrial tribunals to hear unfair dismissal appeals from sacked strikers who ACAS said should have union recognition.

At present, tribunals have no jurisdiction to award compensation where all the strikers are refused reinstatement.

It would also deal with the

Continued on Back Page

£1.7bn. TELEPHONE CONTRACT

Saudis pick Ericsson and Philips

BY WILLIAM DULLFORCE STOCKHOLM, Dec. 14.

L. M. ERICSSON, of Sweden, N.V. Philips of the Netherlands and Bell Canada have won the contest for the £1.7bn. extension of the Saudi Arabian telephone system.

The consortium today received a letter of intent from the Saudi Ministry of Communications and intends to start contract negotiations at once.

The largest single order in the history of the telecommunications industry was won in the teeth of fierce competition from two other groups headed by U.S. companies, ITT and Western Electric.

ITT tendered together with another U.S. company, United Utilities, and its subsidiaries, Bell Telephone of Belgium and Standard Telephone of the U.K. Western Electric was partnered by three U.K. companies, Plessey, BICC and the State-owned Cable and Wireless.

The contract will involve the supply of exchanges, network equipment and telephones for an additional 470,000 subscriber lines in Saudi Arabia as well as the management and maintenance of the system for five years. The extension has to be completed in three years and the final contract will include stiff penalty clauses.

The final price appears to be about 40 per cent. higher than the original tender put in by the Swedish-Dutch-Canadian consortium which was £1.2bn.

The total contract price of £1.7bn. announced in Saudi Arabian newspapers yesterday is just above the tender price submitted by the Anglo-U.S. consortium (£1.68bn.). However there was considerable confusion about the original prices since it depended on what was or was not included in the detailed tender documents.

The order is worth £310m. each to Ericsson and Philips. Ericsson will deliver its new computerised AXE switch equipment, which is claimed to be the most advanced available. It will also supply telephones of a completely new type featuring advanced electronics and key-set dialling.

Philips will contribute its PRX stored programme control exchanges and its PCM transmission equipment. Bell Canada will be responsible for project management and gets the five-year maintenance contract. Ericsson and Philips joined forces earlier this year after the Saudi Government had complained about the high price of the original offers and called for new tenders.

Bell Canada will receive £545m. and the remaining £545m. will go mostly to local subcontractors, who will erect the exchanges and some outside plant.

Mr. Bjorn Svedberg, Ericsson's managing director, said here that the order was the second major victory for his company's AXE system this year.

In September the Swedes won the £300m. contract for a new generation of Australian telephone exchanges—again in competition with ITT. Deliveries under that order, however, will stretch well into the 1980s.

Apart from being the biggest order Ericsson has landed, the Saudi contract was straightforward, Mr. Svedberg said. It would not necessarily open the door to massive new orders for the AXE equipment because world order bookings for telephone equipment were very low.

There was over-capacity in the industry, competition was very

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Background to deal Page 32

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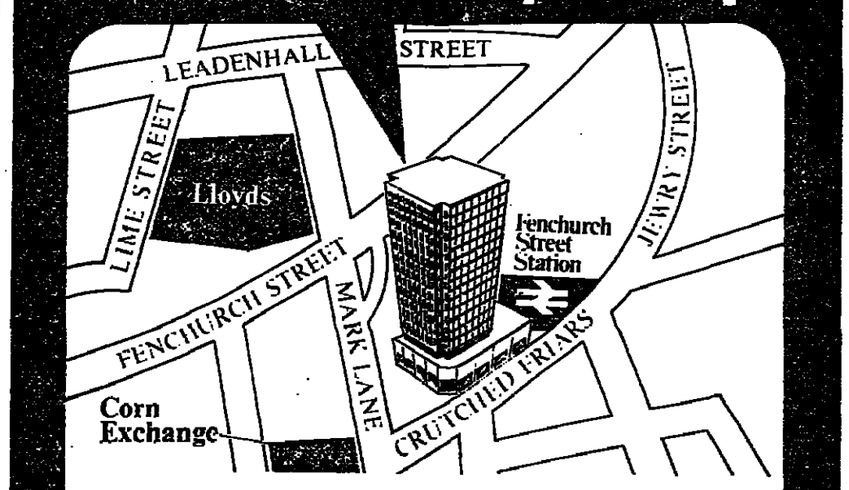

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LOMBARD

The money rule: two's a crowd

BY ANTHONY HARRIS

CITY monetary forecasters, who sometimes seem to specialise in finding a cloud to fit every silver lining, are already beginning to worry about the possibility of crowding out in the financial markets as soon as any real recovery begins to gather force next year. Their argument is basically very simple. This year *a number of special factors* have conspired to damp down industrial demand for funds even compared with what might be expected in the trough of a recession—incomes policy, falling commodity prices, as well as low stocks and recession. In 1978 this system will unwind.

As a result, according to an analysis from De Zoete and Bevan—which is certainly in tune with other analyses—the industrial demand for credit will pick up next year; and although a further reduction of the public sector borrowing requirement can be expected, combined demand of private and public borrowers will be enough to force up interest rates.

First sight

This view, based in part on the study of interest rate movements in previous cyclical recoveries, is at first sight entirely persuasive: indeed, it is hard to imagine any recovery which did not imply some increase in the demand for credit. One might then be left arguing simply whether the forecast weight of demand was heavy enough to be dignified with the name "crowding out"—a term which sounds precise, but always seems to have a very fugitive meaning when it comes to the point. At least one might agree that interest rates must be expected to rise.

However, reasoning of this kind, based simply on forecasting the domestic supply of and demand for funds, has come very badly unstuck within vividly recent memory. A rise in New York interest rates was widely and confidently forecast both in 1975 and 1976, and for almost exactly the same reasons. In fact it was not until 1977 that the rise took place.

There have been many post-mortems on those American forecasts, and the most interesting explanation from the U.K. point of view is that both corporate and State (local Government) demand for funds was much lower than expected. Public authorities, apart from the Federal Government, were quite simply scared of deficit; companies were able to live for some time off their monetary fat.

Much the same conditions seem to rule here. The recent sharp rise in the real money supply, at a period when production is stagnating, means quite simply that the velocity of circulation has been falling sharply. With the economic recovery, it can be expected to rise again, as it did in the U.S. Companies with large cash balances and rising turnover (and if there is no recovery this particular problem disappears) seem able to raise their spending a long way before they are driven to borrow. Even when they do borrow, they may resort to the markets as well as to the banks; it is not only the Government which can restrain the growth of the money supply by borrowing from the non-bank public, it must be remembered; and this again reflects U.S. experience. Local authorities, meanwhile, are now tending to underspend rather than overspend.

The question

Long-term interest rates are by no means low compared with the rate of inflation now forecast for next spring; though it is true, of course, that they may look low compared with the rate of inflation *forecast* at the time. Inflationary expectations seem to me to provide a more persuasive cause for future gloom than a simple flow of funds analysis. That, however, raises the question of how far industry will be able to absorb the wage costs it is now incurring out of rising turnover. Again, experience suggests some grounds for optimism: productivity gains in the early stages of a recovery generally far outpace the long-term trend.

It seems to me, in short, that the forecasts now circulating are running into a danger which seems to characterise what has become a highly competitive forecasting market—a tendency to jump the gun and get in first with the news, be it bad or good. This involves an excessive reliance on past patterns—for lack of current data—which is particularly likely to be misleading at a time of almost unprecedented change in inflation rates and exchange rates, not to mention unprecedented forecasting errors of such important numbers as the PSBR itself. Of course, if such forecasts are sufficiently widely believed then the authorities, who continue to rely on an umbrella which can only be unfurled without a struggle if the sun is shining, may run into yet another funding crisis; but if crowding out does emerge next year, it is more likely to result from technical mismanagement than from the fundamentals.

BUSINESS AND THE COURTS

Limiting State-backed price fixing

BY A. H. HERMANN, LEGAL CORRESPONDENT

GOVERNMENT TRADE regulations in the form of price fixing and setting quality standards can operate in a way to make competition across frontiers within the Common Market more difficult or even impossible. These are not new devices but they are appearing more frequently as are protests against them.

Two cases before the European Court and another in the making point up the problem. The first concerns Belgian retail prices for tobacco, the second Dutch retail prices for spirits and the third German legislation protecting approved brands of maize seed.

All three cases are in the grey area of EEC law where the actions of businesses and public authorities meet for mutual support though the objectives *of the two parties are often* claimed to be different. Restrictive practices and abuses of dominant market power are prohibited (by Articles 85 and 86 of the Treaty of Rome) only if perpetrated by business enterprises or their associations not by governments. Governments in contrast can be guilty of infringement of the Treaty, Article 30 in this case, if they introduce measures which have the effect of quantitative restriction of imports. The search for a safe way to protect home industry and trade against imports from other member States without being caught by the EEC law often consists therefore in attempts to cover such activity behind governments' immunity in the field of restrictive practices.

● ● ●

THE BELGIAN TOBACCO case (European Court No. 13/77) started when the Association of Tobacco Retailers obtained from the Brussels Commercial Court an order prohibiting G.B.INNO-B.M. from selling cigarettes at a lower price than stated on the tax label. The order was made on *the grounds that cutting the* price is unfair competition and a violation of Article 58 of the Belgian VAT Act introducing a system of fixed retail prices which are the basis for the calculation of excise duty and of VAT. INNO appealed and the Belgian Court of Cassation referred the case to Luxembourg asking whether such a system does not infringe the EEC prohibition of abuses of market power, whether it does not constitute a prohibited barrier to trade between member States and finally whether it is not prohibited by Article 5 of EEC VAT Directive 72/464.

The Belgian government stated in its observations before the Court that its measures have two aims: one is to facilitate the levying of taxes; the other, no less important, to protect the continued survival of small tobacconist shops.

The answers given by the European Court are sufficiently obscure to leave both parties with the feeling that they have won. Quite predictably, the Court said that abuses of dominant market position cannot be excused even if favoured by national legislation, but that to constitute an infringement, such abuse would have to affect adversely trade between member States.

Answering the second question, the Court said that national measures obliging retailers to maintain prices freely fixed by both domestic manufacturers and importers are not equivalent to quantitative restrictions of trade unless directly or indirectly, actually or potentially affecting trade between member States.

Anyone concluding that the Court's answer begs the question, can hardly be blamed, but they may not be entirely right if the reasoning of the Court is studied. The Court refers to Directive 70/50 which specifically defines such prohibited measures as "other than those applicable equally to domestic or imported products . . ." and which "make import more difficult or costly than the disposal of domestic production." This is a definition unfavourable to a foreign competitor which in order to penetrate a market must offer goods at a lower price than those suppliers who are already well established.

The reasoning leads to the conclusion that the judgment is favourable to the Belgian retailers association and unfavourable to the price-cutting discount store. This conclusion is further reinforced by the Court ruling, in answer to the last question of the Belgian Court of Casstion, that Article 5 of EEC Directive 72/462 does not prohibit *member States* from enforcing prices of tobacco products freely determined by the manufacturer or the importer.

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MR. J. P. VAN TIGGELE, the hero of case 82/77, still pending before the European Court, got into trouble by selling spirits for less than the minimum price fixed by the Dutch authorities. A Rotterdam magistrate offered him the choice of paying a fine of Fl.1,500 or spending three months in prison. This decision was, however, reversed and then quashed by other courts, before being referred to the European Court with a request which differs from the Belgian reference mainly by asking also whether the fixing of minimum price for spirits represents a subsidy of domestic products prohibited by Articles 92-94 of the EEC Treaty. *This additional* question is almost certainly going to be answered in the negative and for the rest one can be largely guided by the judgment given in the Belgian case.

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MAIZE SEED seems less likely to excite minds than spirits or *even cigarettes, but it is being* groomed for a spectacular break-through by the Competition Department of the EEC Commission. To make short of a long story seed is often sold under brand names identifying varieties and enjoying very much the same protection as trade marks. One of the results is that owners of such *brand names can appoint* exclusive distributors and prevent trade between member States by third parties. One of the consequences is that the INRA brand of maize seed cannot be bought by German dealers in France where it is sold some 40 per cent. cheaper than by the sole distributor appointed in Germany. The Commission hopes the Court will rule when the case is heard that, as with patents and trade marks, the rights of the producer of the approved variety are exhausted by placing the maize seed on the market and that he must not stop what is now called "parallel exports," by-passing the producers' appointed distributor in another EEC country.

Tiepolino for Uttoxeter

RACING

BY DOMINIC WIGAN

THAT HIGH-CLASS recruit from hurdling, Tiepolino, looks all set to extend his winning sequence over fences to three in this afternoon's two miles one furlong Sudbury Novices Chase at Uttoxeter.

Tiepolino, bought privately by that popular and highly accomplished rider, the American Mr. George Sloan, before the start of the season, has been helping to keep his owner in the Amateur Riders' Championship with two recent successes at Kempton.

The extremely easy winner of the Richmond Novices Chase on November 17, in which he completely outclassed market rival Sunrise Hill, Tiepolino then found Dyscole and Anthony of Padua far more formidable propositions in the Bookham Novices Chase a fortnight ago. However, he proved up to the task; using his invaluable turn of finishing speed on the run-in from the last to outpace his two closest pursuers, who finished well clear of the remainder.

Although to-day's race is over a slightly longer distance than the two miles 18 yards of those Kempton races, I have little doubt that Tiepolino, a good second to Kas in a 2½-mile hurdle at Lingfield in January, will see the trip out well.

I hope to see him prove himself one of the most improving five-year-olds in training, with a clear-cut success over Dyscole, who is certain to have his supporters, since he is 7 lb better off for a length defeat in the Bookham.

Whatever his fate with Tiepolino, the season's leading trainer in number of winners, Josh Gifford, should not leave Uttoxeter empty-handed, for Roadhead looks all set to outclass his opponents again in the Cubley four-year-old hurdle.

Looking ahead to the weekend, Midnight Court has, as anticipated, been an extremely strong market order for Ascot's SGB Chase. William Hill and Ward Hill reported yesterday a flood of money for the Winter-trained chaser from the moment their main credit offices opened, and their top quote of 2-1 about the Uplands chaser was quickly reduced to 6-4. With doubts about the participation of several of the others still left in, Midnight Court's price may well shorten further.

Incidentally, Ward Hill, who have been expanding their credit business considerably over the last nine months, report persistent backing for Henry Cecil's four-year-old Owen Jones in the Irish Sweeps Lincoln. This colt is, a half-brother by Tudor Melody to that outstanding middle-distance performer of 10 years ago, Royal Palace.

UTTOXETER

12.30—Tiepolino***
1.00—Irish Prince
1.30—Tenspir
2.00—Tessie's Boy*
2.30—Allied Carpets
3.00—Roadhead**

CARLISLE

2.45—Calactin Creek
3.15—Ratherne

Old Masters fetch over £1m.

SOTHEBY'S major winter Old Master sale yesterday totalled more than £1m. with 13 per cent. bought in. The top price was the £60,000 (plus the 10 per cent. buyers premium) from a Spanish private buyer for "The Virgin and Child with Saints" by Jan Gossaert, called Mabuse, but perhaps more interesting was the £35,000 which secured a 16th-century portrait of Queen Elizabeth in her coronation robes.

The picture was bought by Leggatt on behalf of the National Portrait Gallery, and the price was around double the estimate.

SALEROOM

BY ANTONY THORNCROFT

Leggatt gave £1,000 towards the price, and Sotheby's £5,000, as a Jubilee donation. The portrait, once attributed to Hans Holbein the Younger, was sent for sale by Lord Brooke, who has been disposing of many treasures from Warwick Castle recently, including four Canalettos which brought him around £1m.

Other high prices were the £46,000 for a still life of fruit by Jan Davidsz de Heim, which is an auction record for the artist. The picture was sent for sale by a Yorkshire woman who had no knowledge of its value. Léger Galleries also paid £46,000 for a Jan Van Goyen river landscape.

A Spanish dealer acquired a Tomas Yepes, "Flowers in a Painted Vase" for £40,000, while "A View of an Estuary," by Soloman van Ruysdael, sold for £38,000. A Juan de Arellano pair of pictures of flowers realised £25,000 and there was another auction record in the £22,000 given for a "Madonna with Child and Angels," by Raffaellino del Garbo.

Sotheby's auction of manuscripts and miniatures totalled £74,970. Dawson paid £10,000 for the Brute Chronicle, perhaps the most influential mediaeval chronicle of English history written before 1450.

Part of the earliest English version of the Bible, translated by John Wycliffe around 1400, sold for £9,500, also to Dawson. It was sent for sale by the Bristol Baptist College and is very rare since manuscripts of the Bible in English were viewed with disfavour by the authorities and tended to be small and cheap, with few clues to their origin.

In a successful sale of jewels at Christie's yesterday, totalling £251,243, an unmounted cushion-shaped diamond of light fancy yellow colour, weighing 26.35 carats, sold for £12,500 to Seymour. An antique diamond necklace made £11,000 from S. H. Harris, and the same price was paid by a private buyer for a diamond brooch.

An oval ruby and diamond three-stone, half-hoop ring sold for £6,800, and a diamond two-stone cross-over ring fetched £6,500.

A sale of English and foreign silver totalled £71,852. A pair of Victorian seven-light candelabra fetched £5,500 from a private buyer, and a set of four George III table-candlesticks, sold for £2,300 to N. J. Bragge, a dealer from Rye.

Queen Elizabeth in coronation robes.

A French silver-gilt tea and coffee service in the English *taste sold for £1,900 to H. Cocks.* A George IV tea-kettle, stand and lamp went for £1,650 to Koopman, who also paid £1,30 for a Victorian tea and coffe service.

In the first part of a sale o fine Japanese works of art rectangular ryoshibako datin from the Meijii Period, sold fo £3,000 to Woods Wilson, and large Imari circular dish, datin from the 17th or early 18th Century, went for £2,400 to Spink. The sale totalled £118,886

Here comes the snow

WINTER SPORTS

ARTHUR SANDLES

LAST WEEK-END came the day for digging skis out of their summer resting place in a corner of the garage. Each year I *promise to pay a bit of off-*season attention to them, but each year there is that last minute dash to get edges sharpened, bottoms waxed and bindings tested. And so, with the scars of last year's April adventures on fast fading spring pistes still etched deeply into the plastic of those soles, it was off for a few days to the Alps.

Early December is not the best time to plan a ski trip. The snow can be unreliable, the days short and the cold tends to be intense. Resorts have a mood of half-awakening to them. But prices tend to be low and the lift queues short, particularly during the week and before the local kids start their Christmas break.

It was therefore a relief to find there was snow on the ground at Geneva Airport and that by the time the Mont Blanc tunnel had been passed there was a desperate need for chains on the car. Courmayeur, the Italian resort that sits on the opposite side of Chamonix from Mont Blanc was a pure white Christmas card scene.

In this corner of the Alps at least the weather at the moment is promising. Over the past few weeks there have been several days of snow, followed by days of bright winter sunshine. What little I saw of the area in a very short stay seemed to indicate that if you are leaping to the snows this week-end the environs of Mont Blanc are as good a destination as any. All the French resorts in the area are reporting good cover. At Courmayeur itself, a delightful compact village, the skiing up high was superb although a little lower down the odd patch of rock or grass still showed through from time to time.

The Austrian resorts, which fend to be lower anyway, look to be *having* a sluggish start, but the weather is cold and a couple of days of snow will soon change that. It bears out the old guideline of the ski business—stay above 1,000m. and make sure the resort has north facing slopes if you are planning a pre-New Year ski holiday. But you must add to this the apparent tendency for the snow to come from one direction or another. One year the western Alps seem to have all the best conditions, and another it is the east or south. At the moment the west looks better.

Crawford Perry Travel does short stay trips to Courmayeur as well as longer holidays. Other operators to the resort include Blue Sky and Supertravel both of which have started their flights. Some other operators do not start until Christmas. Crawford Perry Travel, 260A, Fulham Road, London, SW10 9EL (01-351 2101), Blue Sky Holidays, Blue Sky House, Londes Road, East Grinstead (0342-26999), Supertravel, 22 Hans Place, London, SW1X 0EP (01-589 5161).

SNOW REPORTS

	Depth (ins.) u.	l.	State of piste
AUSTRIA			
Alpbach	10	0	Poor
Brand	16	0	Poor
Kitzbuhel	14	4	Poor
Lech	36	14	Good
Mayrhofen	16	0	Poor
Obergurgl	12	8	Poor
St. Anton	34	4	Poor
FRANCE			
Chamonix	60	6	Good
Courchevel	28	14	Good
Flaine	50	10	Good
Isola	60	32	Good
Val d'Isere	28	20	Good
ITALY			
Bormio	32	24	Fair
Cervinia	24	8	Poor
Cortina	12	8	Poor
Courmayeur	20	4	Poor
Madesmimo	32	16	Fair
Sauze d'Oulx	28	12	Fair
SWITZERLAND			
Adelboden	16	—	Poor
Crans	40	4	Good
Davos	20	8	Good
Gstaad	24	4	Good
Saas Fee	48	16	Good
St. Moritz	20	12	Good
Verbier	28	6	Good
Zermatt	20	8	Good
NORWAY			
Finse	32	24	Good
Lillehammer	18	16	Poor

Cairngorms: Most main runs complete, wet snow on a firm base. Vertical runs 1,500 feet. Access roads clear. Snow level 1,500 feet. Glencoe: Insufficient snow.

This announcement is neither an offer nor a solicitation of an offer to exchange these securities. The offer is made solely by the Prospectus dated July 13, 1977.

NOTICE

To the Holders of

Levin-Townsend International Inc.

(now known as Rockwood International, Inc.)

5% GUARANTEED

CONVERTIBLE DEBENTURES DUE 1988

The expiration time of our Exchange Offer is now only days away.

At this time we are still far away from our minimum requirement of 70% acceptance.

Failure of the Exchange Offer would likely result in bankruptcy proceedings and total loss of your investment.

WE THEREFORE URGE YOU TO GIVE YOUR BANK OR BROKER INSTRUCTIONS WITHOUT DELAY TO ACCEPT OUR OFFER OF:

$105 in cash and

$400 principal amount of our new income debentures convertible into common stock at $1.90.

THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME ON FRIDAY, DECEMBER 30, 1977. THE EXCHANGE OFFER WILL NOT BE EXTENDED.

ROCKWOOD NATIONAL CORPORATION

TV Radio

†Indicates programme in black and white.

BBC 1

12.35 p.m. On The Move. 12.45 Mid-day News. 1.00 Pebble Mill. 1.45 Heads and Tails. 3.53 Regional News for England (except London). 3.55 Play School (as BBC 2 11.00 a.m.). 4.20 Lippy Lion. 4.25 Jackanory. 4.40 Charlie Brown.
5.05 John Craven's Newsround.
5.10 Blue Peter.
5.35 Ivor the Engine.
5.40 Evening News.
5.55 Nationwide (London and South East only).
6.20 Nationwide.
6.45 To-morrow's World.
7.10 Top of the Pops.
7.40 Citizen Smith.
8.10 When The Boat Comes In.
9.00 Nine O'clock News.
9.25 The Big Time.
10.15 International Show Jumping.
11.00 To-night including Robin Day.
11.40 Weather Regional News.

All regions as BBC 1 except at the following times:

Wales—4.40 p.m. Crystal Tipps. 4.45 Bobol Bach. 5.55 Wales To-day, News. 6.45 Heddiw. 11.40 News and Weather for Wales.

Scotland—5.55 p.m. Reporting Scotland, News. 11.40 News and Weather for Scotland.

Northern Ireland—5.53 p.m. Northern Ireland News. 5.55 Scene Around Six. 11.40 News and Weather for Northern Ireland.

England—5.55 p.m. Look East (Norwich); Look North (Leeds, Manchester, Newcastle); Midlands To-day (Birmingham); Points West (Bristol). South To-day (Southampton); Spotlight South West (Plymouth).

BBC 2

11.00 a.m. Play School.
7.00 p.m. News on 2 Headlines.
7.05 Your Move.
7.30 Newsday.
8.10 Chronicle. The Decipherment of Linear B at Knossos, Crete.
9.00 The Queen's Jubilee Gifts.
9.25 The Hollywood Musical: Meet Me In St. Louis, starring Judy Garland.
11.15 Late News on 2.
11.25 Closedown: Jill Balcon reads "Fishguard to Rosslare," by C. Day Lewis.

LONDON

9.30 a.m. Stationary Ark, by Gerald Durrell. 9.55 Fireside Theatre. 10.45 Documentary: Birds of Strathspey. 11.30 Cartoon Time. 11.35 The Splendour Falls. 12.00 Animal Kwackers. 12.10 p.m. Stepping Stones. 12.30 Weather Wise. 1.00 News. 1.20 Help! 1.30 Crown Court. 2.00 After Noon. 2.25 Hunters Walk. 3.20 The Squirrels. 3.50 The Cedar Tree. 4.20 The Little House on the Prairie. 5.15 Mr. and Mrs.
5.45 News.
6.00 Thames at 6.
6.35 Crossroads.
7.00 Film, El Dorado, with John Wayne and Robert Mitchum.
9.30 This Week.
10.00 News.
10.30 Time for Business with Eamonn Andrews.
11.30 The Andy Williams Show.
12.00 What The Papers Say.
12.15 a.m. Close: Poems read by Xanthi Gardner.

All ITV regions as London except at the following times:

ANGLIA

9.25 a.m. Look to the Sea. 9.50 Lookout. 10.15 Murder the Magician. 10.40 Digging for Yesterday. 11.05 Pollination. 11.35 Electric Theatre Show. 1.25 p.m. Anglia News. 2.00 Women Only. 4.20 The White Stone. 4.50 The Secret Lives of Waldo Kitty. 5.15 Emmerdale Farm. 6.00 About Anglia. 6.20 Arena. 7.00 Bygones. 7.30 Get Some In! 8.00 Film: "Double Indemnity. 10.30 Police Woman. 11.30 Fireside Theatre. 12.30 a.m. The Living Word.

ATV

10.15 a.m. Untamed Frontiers. 10.40 The Lone Ranger. 11.05 Puzzle Party. 11.30 Jam. 11.55 The Adventures of Parsley. 1.20 p.m. ATV Newsdesk. 3.20 The Electric Theatre Show. 4.20 The Remarkable Rocket. 4.45 Solo One. 5.15 Happy Days. 6.00 ATV Today. 7.00 Emmerdale Farm. 7.30 Cartoon Time. 7.35 McCloud. 9.00 Galton and Simpson Playhouse. 10.30 Police Woman. 11.30 Master Golf.

BORDER

9.30 a.m. Lookout. 10.15 Murder the Magician. 10.40 Digging for Yesterday. 11.05 Pollination. 11.35 The Vital Earth. †1.20 p.m. Border News. 4.20 The Lost Islands. 4.45 Solo One. 5.15 The Flintstones. 6.00 Border News and Lookaround. 7.00 Emmerdale Farm. 7.30 The Andy Williams Show. 8.00 The Six Million Dollar Man. 9.00 The Galton and Simpson Playhouse. 10.30 Police Woman 11.30 The Electric Theatre Show. †11.55 Border News and Weather.

CHANNEL

1.18 p.m. Channel Lunchtime News, What's On Where. 6.00 Channel News. 6.10 Link Up. 7.00 The Six Million Dollar Man. 8.00 Film: "Firehouse." 10.28 Channel Late News. 10.32 That Man Matchan. 11.15 Gibbsville. 12.15 Bless This House. 12.36 News and Weather in French.

HTV

9.50 a.m. Lookout. 10.15 Les Bicyclettes de Belsize. 10.40 Digging for Yesterday. 11.05 Pollination. 11.35 The Electric Theatre Show. 1.20 p.m. Report West Headlines. 1.25 Report Wales Headlines. 2.00 Women Only. 4.20 Dynomutt—the Dog Wonder. 4.45 The Lost Islands. 5.15 Breaktime 5. 5.20 Crossroads. 6.00 Report West. 6.15 Report Wales. 6.30 The Practice. 7.00 Mr. and Mrs. 7.30 Oh No, It's Selwyn Froggitt. 8.00 Charlie's Angels. 9.00 Variety Madhouse. 10.00 News followed by Report West Headlines. 10.35 Changes. 11.05 Film: The California Kid.

HTV Cymru/Wales: As HTV General Service except: 1.20-1.30 p.m. Report West Headlines. 6.15-6.40 Sport West.

GRAMPIAN

9.45 a.m. First Thing. 9.50 Look Out. 10.15 Murder the Magician. 10.40 Digging for Yesterday. 11.05 Pollination. 11.35 The Electric Theatre Show. 1.20 p.m. Grampian News. 6.00 Grampian Today. 7.00 Backs to the Land. 7.30 Columbo. 9.00 The Galton and Simpson Playhouse. 10.30 Sportscall 11.10 Dan August. 12.05 a.m. Reflections.

GRANADA

†9.30 a.m. Dennis the Menace. 9.55 The Woody Woodpecker Show. 10.20 Untamed World. 10.45 Holiday Matinee. 1.20 p.m. This Is Your Right. †3.20 The Galloping Gourmet. 5.10 This Is Your Right 5.15 Crossroads. 6.00 Granada Reports. 6.30 Emmerdale Farm. 7.00 The Six Million Dollar Man 8.00 Film: Attila the Hun. 10.30 Reports Extra. 11.00 What the Papers Say. 11.20 Adams of Eagle Lake.

SCOTTISH

9.50 a.m. Lookout. 10.15 Murder the Magician. 10.40 Digging for Yesterday. 11.05 Pollination 11.35 The Electric Theatre Show. 1.25 p.m. News, Road and Weather report. 2.00 Women Only. 5.15 The Undersea Adventures of Captain Nemo. 5.20 Crossroads. 6.00 Scotland Today. 6.30 Garnock Way. 7.00 Backs to the Land. 7.30 Happy Days. 8.00 Streets of San Francisco. 9.00 The Galton and Simpson Playhouse. 10.30 Late Call. 10.35 Film: Ramsay—Dead Beat.

SOUTHERN

9.35 a.m. Sean the Leprechaun. 9.50 Lookout. 10.15 Murder the Magician. 10.40 Digging for Yesterday. 11.05 Pollination. 11.35 Electric Theatre Show. 1.20 p.m. Southern News. 2.00 Women Only. 4.20 Count Me Out. 4.25 Little House on the Prairie. 5.20 Crossroads. 6.00 Day by Day. 6.30 University Challenge. 7.00 Emmerdale Farm. 7.30 Film: Sunflower. 10.30 Elaine, the Singer of the Song. 11.00 Your Men at Westminster. 11.30 Southern News Extra. 11.40 Barretta: On the Road. 12.35 a.m. Weather then Moved With Compassion.

TYNE TEES

9.25 a.m. North East News and Starting Point. 9.30 Phoenix Five. 9.50 Valley of the Dinosaurs. 10.15 Murder the Magician. 10.40 Digging for Yesterday. 11.05 Pollination. 11.35 Electric Theatre Show. 1.20 p.m. North East News Lookaround. 2.00 *Women Only.* 3.20 The Mary Tyler Moore Show. 5.15 The Brady Bunch. 6.00 Northern Life 7.00 Emmerdale Farm. 7.30 The Streets of San Francisco. 8.30 The Squirrels. 9.00 The Galton and Simpson Playhouse. 10.30 The Bait. 11.55 Pro-Celebrity Snooker. 12.40 a.m. Epilogue.

ULSTER

9.50 a.m. Lookout. 10.15 Murder the Magician. 10.40 Digging for Yesterday. 11.05 Pollination. 11.35 Electric Theatre Show. 1.20 p.m. Lunchtime. 4.18 Ulster News. 4.20 Big Blue Marble. 4.45 Little House on the Prairie. 6.00 Ulster Television News. 6.05 Crossroads. 6.30 Reports. 7.00 Emmerdale Farm. 7.30 Happy Days. 8.00 Streets of San Francisco. 9.00 The Galton and Simpson Playhouse. 10.30 Phyllis. 11.00 What's It All About. 11.30 Executive Suite.

WESTWARD

9.50 a.m. Look Out. 10.15 Murder the Magician. 10.40 Digging for Yesterday. 11.05 Pollination. 11.35 The Electric Theatre Show. 12.27 p.m. Gus Honeybun's Birthdays. 1.20 Westward News. 6.00 Westward Diary. 7.00 The Six Million Dollar Man. 8.00 Film: Firehouse. 10.28 Westward Late News. 10.30 Westward Report. 11.15 Gibbsville. 12.10 Bless This House. 12.35 Faith For Life.

YORKSHIRE

10.15 a.m. A Big Country. 10.50 Cartoon Time. 11.05 The Invaders. 11.55 Dodo the Space Kid. 1.20 p.m. Calendar News. 3.20 Looks Familiar 4.20 Cartoon Time. 4.25 Little House on the Prairie. 6.00 Calendar. 7.00 Emmerdale Farm. 7.30 The Streets of San Francisco. 8.30 The Squirrels. 9.00 The Galton and Simpson Playhouse. 10.45 Space 1999. 11.25 Moon Movies. 11.55 The Practice.

RADIO 1 247m

(S) Stereophonic broadcast

4.00 a.m. As Radio 2. 7.02 Noel Edmonds. 9.00 Simon Bates. 11.31 Paul Burnett including 12.30 Newsbeat. 2.00 p.m. Tony Blackburn. 4.31 It's D.L.T. OK! including 5.30 Newsbeat. 7.00 The Movie Musical (from Radio 2). 10.02 John Peel (S). 12.00-12.05 a.m. As Radio 2.

RADIO 2 1,500m and VHF

6.00 a.m. News Summary. 6.02 Colin Berry with The Early Show (S) including 6.15 Pause for Thought. 7.02 Cricket: First Test: Pakistan v. England: report. 7.03 Brian Matthew (S) including 8.02 Cricket—further Test news. 8.27 Racing. 8.45 Pause for Thought. 9.02-11.30 Pete Murray's Open House (S) including 10.02 Cricket: teatime report. 10.30 Waggoners' Walk. 11.30 Jimmy Young (S) including 12.02 p.m. Cricket: Test report. 2.00 p.m. Sports Desk. 2.02 A Party Political Broadcast by the Conservative Party. 2.07 David Hamilton (S) including 2.45 and 3.45 Sports Desk with racing results and Olympia International Show Jumping. 4.30 Waggoners' Walk. 4.45 Sports Desk. 4.48 John Dunn (S) including 5.45 Sports Desk. 6.45 Sports Desk. 7.02 The Movie Musical: Goodbye Mr. Chips. 7.30 Glenn Miller Anniversary Concert (S). 8.30 David Allan's Country Club (S) Country Music. 10.02 Sports Desk. 10.07 Folkweave. 11.02 Sports Desk. 11.03 Sheila Tracy with The Late Show. 12.00-12.05 Midnight Newsroom. Weather.

RADIO 3 464m. Stereo & VHF

6.55 a.m. Weather. 7.00 News. 7.05 Overture (S) (VHF only from 7.30). Concert Royce: Haydn, Bach. 7.30-10.00 Cricket: First Test (m/f only) Pakistan v. England (second day): commentary. 8.00 News (VHF only). 8.05 Morning Concert (S) (VHF only). Elgar: Dolce, Vaughan Williams 9.00 News (VHF only). 9.05 This Week's Composer: Rimsky-Korsakov (S) (VHF only). 10.00 Holiday Special (S) Fanfare 10.20 Bach and Brahms (S) Piano recital. 11.20 Cheltenham Festival 1977 (S) Concert (part 1): Paterson, Prokofiev. 11.55 In Short. 12.05 Cheltenham 1977 (S) (part 2): Elgar. 1.00 a.m. News. 1.05 Bradford Midday Concert: Mendelssohn, Fauré, Copland. 2.00 Bartok String Quartet (S) Concert: Kadosa, Haydn. 2.50 Der Schuhu und Die Fliegende Prinzessin (S) Opera in three acts by Udo Zimmermann (Acts 1 and 2). 3.55 Words . . . Talk. 4.00 Der Schuhu und Die Fliegende Prinzessin (S) (Act 3). 4.40 Piano Recital (S) Mozart, Schubert. 5.45 Homeward Bound (S). 6.05 News. 6.10 Homeward Bound (continued). 6.18 Lifelines: The Wider World. 6.30 Hazards: Deadly Metals: 7.05 The Prisoners (part 2): Sentencing—A Matter of Conviction" 7.33 Concert from Lancaster University (S) (part 1): Mozart, Haydn. 8.05 Gnosticism and the Modern World. Talk by Samuel Lieu. 8.25 Concert from Lancaster University (part 2): Bruckner. 9.35 A Sorrow Beyond Dreams (S and Elisabeth) by Peter Maxwell Davies. 10.25 Mozart (S) String Quartet in D. 10.35 The Long Search Continues (S) (part 15). 11.25-11.30 News.

RADIO 4

434m, 330m, 285m and VHF
2 Medium Wave only

6.15 a.m. News. 6.17 Farming Today. 6.35 Up to the Hour. 6.52 VHF Regional News and Weather. 7.00 News. 7.10 Today. 7.35 Up to the Hour (continued). 7.52 VHF Regional News and Weather. 8.00 News. 8.10 Today. 8.45 Yesterday in Parliament. 9.00 News. 9.05 These You Have Loved (records) (S). 10.00 News. 10.05 From Our Own Correspondent. 10.30 Daily Service. 10.45 Morning Story. 11.00 News. 11.05 Down Your Way: visits Repton, Derbyshire. 11.45 Laughter in Sport (part 4): Ballering. 12.00 News. 12.02 You and Your Source and Engineering. 12.27 The Barkiss Way. 12.55 Weather and programme news. VHF (except London and SE) Regional News and Weather. 1.00 The World at One. 1.30 The Archers. 1.45 Woman's Hour, including 2.00-2.02 News. 2.45 Listen with Mother. 3.00 News. 3.05 Afternoon Theatre: "The Albums" (S). 3.50 Jack de Manio Precisely including 4.00-4.05 News. 4.35 Story Time. 5.00 PM Reports. 5.35 A Party Political Broadcast by the Labour Party. 5.40 *Serendipity.* 5.55 Weather and programme news. VHF Regional News and Weather. 6.00 The Six O'Clock News. 6.30 Top of the Form—Round 1. 7.00 News. 7.05 The Archers. 7.20 Checkpoint. 7.45 This Holy Estate. 8.30 John Ebdon with the BBC Sound Archives. 8.45 Nation to Nation. 9.30 Kaleidoscope—discussion on unemployment. 9.59 Weather. 10.00 The World Tonight: News. 10.30 Any Answers?. 11.00 A Book at Bedtime. 11.15 The Financial World Tonight. 11.30 Today in Parliament. 11.45 News. Weather.

BBC Radio London

206m and 94.9 VHF

6.00 a.m. As Radio 2. 6.30 Rush Hour. 9.00 Carrie on Councillor. 9.20 London Live. 11.03 In Town. 12.05 p.m. Call In. 2.03 206 Showcase. 4.03 Home Run. 6.18 Look, Stop, Listen 7.30 In Town. (as 11.03 a.m.). 8.30 Soul 77. 10.03 Late Night London. 12.00-close: As Radio 2.

London Broadcasting

261m and 97.3 VHF

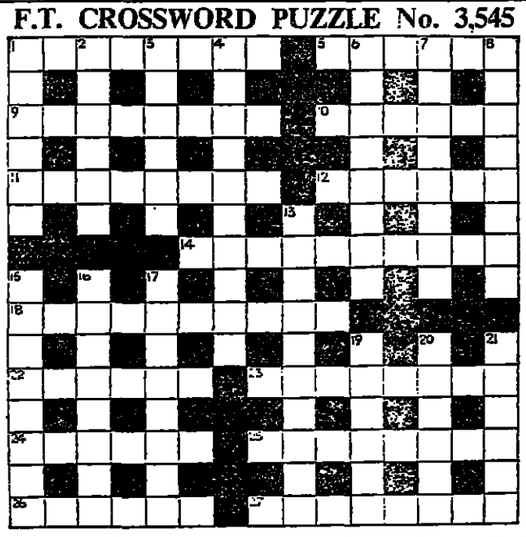
5.00 a.m. Morning Music 6.00 A.M. with Bob Holness and Douglas Cameron. 10.00 Brian Hayes. 1.00 p.m. LBC Report, including George Gale's 'O'Clock Call. 8.00 After 4—with Ian Gilchrist. 9.00-1.00 a.m. Mainline.

Capital Radio

194m and 95.8 VHF

6.00 a.m. Breakfast Show. 9.00 Michael Aspel. 12.00 Dave Cash. 1.00 p.m. Quiz. 1.30 Lunchline (with calls from 2.00 on 01-388 1250). 3.00 Roger Scott 5.00 Hit line (01-388 1001). 6.00 People's Choice. 7.00 Lord George-Brown. 7.10 London Today. 7.30 Adrian Love's Open Line on 01-388 1253 9.00 Nicky Horne. 11.00 Tony Myatt. 2.00 a.m. Night Flight 3.15 Craig Cook Requests. 3.30 Lord George-Brown 5.15-5.30 Alternatives

F.T. CROSSWORD PUZZLE No. 3,545



ACROSS

1 Story right for a liar (8)
5 Bit of rope connected with Fleet Street (6)
9 Courageous fellow should make the headlines (4, 4)
10 Blue as a mixture that may be utilised (8)
11 Try to look like a burglar, it may be used as a precedent (4-4)
12 Inert but capable of causing interference (6)
14 Rocky started game of *snooker penniless (5-5)*
18 One who contributes to red bank? (5, 5)
22 Dish made from some lettuce (6)
23 Wise men can accept one wizard (8)
24 Paint in the name legibly (6)
25 Protective clothing to fasten in front (8)
26 All one possesses in eastern country (6)
27 Originated in opening edition (8)

DOWN

1 About to curtail a discount (6)
2 Annoy animal on street (6)
3 Observe a warning (6)
4 Without a place in trade fair (10)
6 Experiment underground with chemical apparatus (4-4)
7 Circuit I take on in aspiration (8)
8 Hence Dr. D. gets upset and is soaked (8)
13 Pub with enthusiastic reception is a novelty (10)
15 Antiquated sole to be changed (8)
16 Witches go to worker in mutual agreement (8)
17 One who sticks notice here on hook (8)
19 Silver in mud? It's an illusion! (6)
20 Outfit for soldier coming up in a fable (3-3)
21 Mean to alter indent (6)

Solution to Puzzle No. 3,544

Record Review

Káta Kabanová

by MAX LOPPERT

Janacek: Kata Kabanova. Elisabeth Soderstrom, Petr Dvorsky, Nadezda Kniplova, Libuse Marova, Zdenek Svehla, etc./Chorus of Vienna State Opera, Vienna Philharmonic Orchestra/Charles Mackerras. Decca D51D 2 (2 records).

Decca's projected cycle of Janacek operas could hardly be launched more auspiciously than with this *Kata Kabanova*, a performance that must broaden the understanding of even the most ardent and most knowledgeable Janacek-lover. Indeed, in the full flush of enthusiasm for the set, I would go further, and add it to the shortlist of essential opera recordings — of those, in other words, that add materially and in a manner previously inconceivable to one's experience of the form.

As such, it joins *Les Troyens*, *The Midsummer Marriage*, the best of the early Verdi explorations (the list is not by any means complete), despite the fact that unlike those it is not a "first." Tribute must not be grudged the Czech Supraphon recordings of the mature Janacek operas, of each of which there has been at least one version in modern sound. The supraphon *Kata* conducted by Jaroslav Krombholc is still available in this country, a warm, often touching performance with Drahomira Tikalova a sympathetic, sometimes thin-toned heroine and the unforgetten Beno Blachut as Boris.

But whereas that was substantially a representation of the Prague Janacek style, with effects of singing and playing and outweighing virtues, such as one might have been very glad to encounter more than a decade ago, the Decca performance under Charles Mackerras achieves something much more revelatory, more universal but also more particular in its exposition of the work, as befits the work's current international status. The differences start with, but go far beyond, the use of Mackerras's own edition of the score, with its removal of orchestral additives and impurities (the edition first given, of course, at the Coliseum in 1973 in the production that is among the glories of London opera).

For a basic imperative seems to have fired the conductor, and in turn the singers, orchestra and recording engineers: to demonstrate that the work is a unique tragic masterpiece because its fierce compression of situation, construction, characterisation and motivic material is answered at every level by the lyrical beauty of the music, a beauty that stems directly (as does Janacek's entire operatic method) from the composer's need for the communicative eloquence of the human voice. The very first bars—the *piano* in B flat minor chord swelling with extreme "vocal" tenderness from the edge of audibility into statement, the eight-note timpani figure a delicate, fearful premonition—must alert the listener to the special feeling of the set.

Here and throughout, the sound of the Vienna Philharmonic strings is heart-stopping. (The response of this greatest of all orchestras to a composer supposedly alien to its traditions is a reminder that a long and honourable history of Janacek performance in Vienna began in 1918 with the first *Jenufa* outside Czechoslovakia.) This *Kata* is more beautiful than those heard at the Coliseum because it is more beautifully played; Mackerras's passionate intensity of conviction is familiar. Perhaps at one point, as Katya cries her surrender to Boris in the words "It is your will that possesses me! Can you not see it?" a threat of conventional sumptuousness, even self-indulgence, in *tremolando* strings and whooping horns is only just kept at bay.

The Entertainment Guide starts on Page 40

Mostly, the characteristic quality of the conducting is presumably of the kind intended by the composer when he wrote (in a letter of gratitude to Erich Kleiber after his 1924 Berlin *Jenufa*) that "one feels real flames in your *stringendo*." It also depends on an ear for the sharply individual atmosphere of each Janacek opera, for making extraordinary combinations of instrumental timbre sound like universally accepted truths. That ear, and the perceptiveness of the record producers and engineers, combine to fulfil one aspect of the instrumentation usually impossible to achieve in the opera house pit: the part played by the viola d'amore, usually too weak to penetrate, is given tactful microphone prominence that brings new plaintiveness to such things as the octaves with oboe before and during Katya's Act 3 wanderings.

With one exception, the singers, all chosen with appropriate care for vocal as well as dramatic abilities, are Czech. Notable among them is Petr Dvorsky, a new lyric tenor due shortly at Covent Garden in *Rigoletto*, whose Boris may not be imprinted with the poetic accents of a Blachut, but whose ardour, firmness, and youthful, manly ring fill out an equivocal role. Nadezda Kniplova, though as ever her hard, hollow tones fall somewhat ungratefully on the ear, urges such force of personality on the Kabanicha's spiteful little phrases that one stings under their lash; yet even in a role where exaggeration might be permitted, the concern for the notes is paramount. The younger couple is more attractive than its Supraphon equivalent, the Dikoj and Tichon perhaps a little less vivid.

Elisabeth Soderstrom

The exception mentioned above is of course Elisabeth Soderstrom, whose rare and precious Katya is the finest thing she has yet done on record, and whose special qualities consort so happily with those of the conductor. The Swedish soprano has now learnt to confide to the microphone the most delicate features of her protean artistry: the feeling for the coloration of words (to a non-Czech-speaker her handling of the language is virtually indistinguishable from that of the natives), and the wonderful blend of vulnerability and courage as expressed in timbres melting and acutely placed. The single notes high above the stave so treacherously strewn within Katya's phrases she renders with a naturalness managed by very few other singers. This is a characterization of painful, splendid truthfulness, and it crowns a performance to which the same phrase must be applied: if anything can win over the opera public at large from its mystifying hot-and-coldness to Janacek's operas, it will be this set, and those that follow.

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ENTERTAINMENT GUIDE Cont.—

THEATRES

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19th CENTURY FRENCH OPERAS
Haberdashers' Monmouth Schools

The Drum-Major's Daughter

by ELIZABETH FORBES

In 1879 Paris was still smarting from the wounds inflicted by the Franco-Prussian war and the long Siege of the city, as well as the subsequent, even more traumatic events of the Commune. Offenbach, though ageing and ill, with less than a year to live, still proved to have—for the hundredth time—an accurate finger on the public pulse. *La Fille du tambour-major*, first produced at the Folies-Dramatiques on December 13, contains almost none of the biting satire characteristic of the operas written during the Second Empire; nor is there much sentimental music; but patriotic fervour, pride in military achievement and revolutionary spirit are poured out liberally.

The enterprising Haberdashers' Monmouth Schools, who presented *The Drum-Major's Daughter*, using a new musical edition prepared by Max Morris and a new English translation by Geoffrey Wilson, for three performances in the Hall of the Girls' School, demonstrated that Offenbach's hand, though crippled by gout, had lost none of its cunning. The text (by Alfred Duru and Henri Chivot) owes its structure entirely to that of *La Fille du régiment*, merely turning the plot upside down: Stella, unlike Marie in Donizetti's opera, begins as the child of rich, aristocratic parents and ends in vivandière costume, the Drum-Major's long-lost daughter and fiancée to the penniless French Lieutenant Robert.

The scene is laid in Lombardy during 1800, when Bonaparte's army was advancing triumphantly towards Milan, to free that city—at least temporarily—from the hated Austrian yoke (Stendhal would, I feel, have approved of this opera). Lieutenant Robert has a pleasant if conventional song in praise of the beauties of Italy, but it is Stella's revolutionary ditty, which so shocks the Mother Superior of the convent, that becomes the hit number of the score. For the finale, when Milan is liberated by the French, the Monmouth Town Band, in Tricolour uniform, marches through the auditorium and up on to the stage, while at the end the audience is invited to stand and join the cast in singing the Marseillaise.

The production, by Elsa Watts, is generally efficient, while Colwyn Sillman, the conductor, keeps a tight rein on his orchestral players, rarely letting them drown the singers, who mostly project their words well both in speech and song. The translation is colloquial, with a few archaisms thrown in; one splendid ensemble starts: "See, the Duchess is indisposed" — and no wonder, as she has just been confronted with her ex-husband, the Drum-Major. The chorus, proportioned roughly three girls to one boy, sings with disciplined enthusiasm. Catherine Newman, a delightfully spunky Stella, displays admirable rhythmic sense and attack. Diane Silliman (the Duchess), Patrick Mackie (Robert), Philip Palastanga (the Drum-Major) and Jason Taverner (Griolet) all deserve individual mention.

New Theatre, King's College

Zampa

Ferdinand Hérold, whose ambition was to write a grand opera, died a few days before his 42nd birthday without achieving that ambition. During the last two years of his life he did, however, create two works for the Opéra-Comique in Paris that retained their popularity well into the present century. The French have always preferred *Le Pré aux Clercs* (1832) to *Zampa, ou la Fiancée de marbre* (1831), but outside France *Zampa* became the undoubted favourite of Hérold's two masterpieces.

The opera, sung in German, turned up in London at the King's Theatre two years after its Paris premiere: it was revived, in an Italian version, at Covent Garden in 1858, during the opening season at the present theatre: two decades later *Zampa* (in English) was in the repertory of the newly formed Carl Rosa Company; there was a performance at Birmingham in 1961; now Opera Viva Workshop is giving two performances at the New Theatre, King's College, in an English translation of what is presumably the Italian version.

Zampa is a Sicilian pirate—Hérold's original working title was *Le Corsaire*—a Don Juan figure who blackmails the heroine Camilla into marrying him by abducting her aged father. After the ceremony, and before the marriage is consummated, the statue of a girl once betrayed by Zampa claps him in her marble arms and jumps with him into the sea. In my Italian libretto, Etna erupts at this climactic moment—Auber's *La Muette de Portici*, with the eruption of Vesuvius as a final tableau, was only three years older than Zampa, and Mélesville, Hérold's librettist, had also written texts for Auber.

The title role, composed for Chollet, the tenor who also created the title roles of *Fra Diavolo* and *Le Postillon de Lonjumeau*, has more frequently been sung by a baritone: it seems to lie awkwardly for both voices, and a high baritone with strong top notes is probably the best solution, and the one favoured by Opera Viva. Zampa, by no means a totally unsympathetic character, gets the lion's share of the many splendid tunes that Herold sprinkles liberally over his score. As well as a rousing song to a melody familiar from the overture, he has a more reflective aria at the beginning of the second act that expresses his genuine love for Camilla.

Bryan Kemp sings this piece and indeed most of his role with suitable panache. Elaine Hewitt has a less interesting role in Camilla, though the ballad in which she tells the story of poor Alice Manfredi, the marble fiancée, is attractive, and Miss Hewitt phrases it nicely. Alfonso, her lover, who turns out to be Zampa's brother, is given a semblance of life by Paul Arden Griffiths, while a trio of companion, servant and lieutenant are played by Myrna Moreno, Christopher Adams and Desmond Taylor. Leslie Head conducts the Opera Viva Orchestra and Chorus with enthusiasm, but the Chorus unfortunately does not respond with any conviction.

ELIZABETH FORBES

Royal Northern College of Music

Deceit Outwitted

by RONALD CRICHTON

One must accept that Haydn lacked not only Mozart's acute feeling for drama in music, but the routine theatre sense of lesser composers like Cimarosa and Paisiello. That much granted, one can sit back and enjoy the abundance of, not supremely dramatic, but supremely good (and not fatally undramatic) music written for the princely theatre at Esterhaza. The quartet which opens *Deceit Outwitted* (originally *L'infidelta delusa*) is an example: something like 200 bars of ravishing evening music saying little more than "Now the day is over" and hinting that a marriage is in the air. Compare the Swiss openings of Mozart's operas: even Osmin on his ladder does not dawdle so.

In fact, the RNCM's production of this Haydn opera started nervously on Tuesday. In the quartet, no one sang out, balance was precarious. During the first scene stage and pit came unstuck more than once in spite of the conductor, Jane Glover's expense of energy. After that things improved. Though the elementary gift of keeping things together sometimes slips away, Miss Glover has an understanding ear for the shape and colour of Haydn's music. Improvement was not confined to the orchestra: the singers started to get their words across (the Porter translation was used, with the recitatives done by Ernesta Partilora and Miss Glover). Some of the singers plucked up courage to use their eyes.

The female role with the most music is the soubrette Vespina who outwits deceit with deceit, a process involving several disguises, going even further in this direction than her Mozartian near-namesake. Janet Gration was particularly good as thick-mouthed German serving man and swaggering gallant. But the pick of this bunch was Deborah Rees as Sandrina—words clear, movements natural, voice individually expressive and fluent. The confident, musical shaping of Sandrina's last aria ("Worldly pomp") made one eager to hear Miss Rees again. Scarcely less good was the bass Galloway Bell as Silvio, her lover (Nanni in the original—why change it, are there local bang-ups about nannies?). The tone was hollow at first, but afterwards came more freely. Mr. Bell's words and movements were also effective.

As for the tenors, Mark Curtis made a fair amount of Nencio, Sandrina's rich suitor, who settles for Vespina; Chi-Shing Mak did as much as could be expected from a student singer with the elderly role of Filippo, Sandrina's discontented father. Malcolm Fraser produced, inventing enough sound comic business to fill out Haydn's large musical structures without becoming fussy. Peter Rice's Tuscan farmyard was a beauty, well worth seeing again for the last act, which should really take place indoors.

One discordant note. Haydn drew a thin audience to Manchester's comfortable, well-equipped college theatre—there was, it appears, Brahms in Free Trade Hall. There are, however opportunities of proving after all that the city is a lively operatic centre, when *Deceit Outwitted* is repeated to-day and on Saturday.

National Gallery Touring Exhibition

Dutch Genre Painting is the second in a series of travelling exhibitions of National Gallery paintings organised by the Gallery in association with the Arts Council of Great Britain. It will visit four regional art galleries between January and July, 1978, after which it will be shown at the National Gallery. Regional visits are Newcastle Upon Tyne (Hatton Gallery); Bolton (Central Museum and Art Gallery); Lincoln (Usher Gallery) and Southampton (Art Gallery).

The exhibition will consist of 28 genre pictures by 17th century Dutch artists. "Genre" is a term that describes scenes of everyday life, but Dutch genre pictures often have hidden meanings, as the exhibition seeks to demonstrate.

Kasmin/Serpentine/Mayor

Three American artists

by WILLIAM PACKER

Three of America's heavyweight painters of the last 20 to 30 years are currently showing in London. All three exhibitions are of equal interest in their several ways, though in terms of importance, one of them is certainly rather more equal than the others. And two of these painters have lately turned to sculpture, which seems to be the way the traffic has flowed in modern times.

One of the problems that the American Art of our time poses for the European is that so much of it is so very good: and it would be very rash, quite apart from being demonstrably wrong-headed, to argue against the general significance and particular achievement of such artists as Mark Rothko, Jackson Pollock or Clyfford Still, especially in the work they did in the immediate post-War years. The next generation, too, from the later '50s, on such artists as Jasper Johns, for example, Morris Louis and Kenneth Noland, produced many marvellous and indeed important things (the Johns retrospective that is coming to London next summer promises to be the great event of the year).

But, even while making this sincere genuflection before American Art a few misgivings nevertheless creep into our minds: for so often it seems that we are asked to accept every work as a masterpiece, even the tiniest mark as proof of genius. Yet we also know that that enviable status has been won in the narrowest of contexts: just as they insist upon calling their every national championship a World Series, so American reputations in the Fine Arts have paid scant regard to achievement elsewhere. But the way in which American Art of recent times keys into the larger Western tradition is precisely what makes it interesting, and, in the longer term, will justify it. Meanwhile, encouraged by their very success, in their over-confidence and lack of self-criticism, their unquestioning, complacent and too frequently over-bearing, the artists suffer. The ambition we timid Europeans thought we admired soon grows oppressive.

Such strictures apply as much to Frank Stella as to any of his compatriots; but his present show is an inappropriate occasion on which to make them stick, being simply a selection from stock of items dating from all periods of his career, and very handsome some of them are. Far from being a coherent retrospective, it is in fact a nice celebration of Kasmin's return to the public arena, and to his old haunts: for his new space, the refitted Knoedler Gallery at 143 New Bond Street, is a strange echo of his old gallery just up the road, a narrow corridor debouching suddenly into a white box. His return is most welcome, for we need galleries of his weight, the more the better.

Willem de Kooning, however, the elder statesman of American painting, is more vulnerable. His work of the last ten years or so now fills the Serpentine Gallery (until January 8), a small but evidently carefully chosen retrospective that also introduces us to his late forays into the field of sculpture; and very revealing it all is.

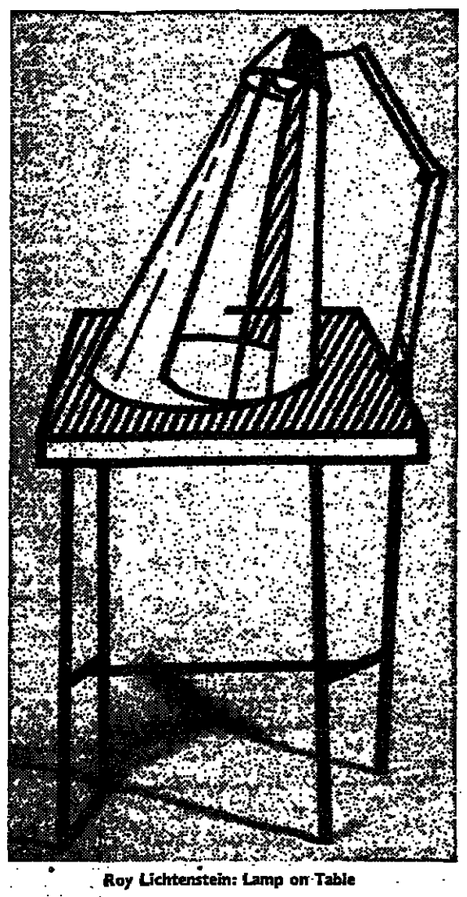
We know de Kooning as a great natural expressionist, handling his material with confidence and aplomb, and an instinctive colourist, moving easily between abstraction and figuration and producing in his time memorable and powerful works. His paintings have always been rich and seductive objects, and generally enjoyable. But he, too, has a genius complex, or so it seems from this show: for these late works are as pretty as ever, and as energetic, but so much slacker and easier than before, flaccid, tatesful, gilt-edged decoration. They are backed up by numbers of vacuous and arbitrary drawings and prints. The old strength of the imagery, fighting for its life in the dense jungle of paint and brush-mark, has gone, and we are left to pick up the blank cheque of his reputation, taking it all on trust.

His sculpture, if we can call it so, gives the game away entirely. Painters' sculpture has often been important, even spectacular, and Degas, Picasso and Matisse are fine examples. Now de Kooning has tried his hand, pulling and prodding the clay into lumpen and grotesque approximations of the human form, and then having them cast in bronze. The exercise is as arrogant as it is self-conscious, for these things say nothing as sculpture and nothing that his tortured paintings of women said with infinitely more urgency long ago. An experiment is one thing: made heavily permanent it becomes an imposition.

De Kooning evidently believes that whatever he, the artist, does is of intrinsic interest, that his doing it makes it right. He confides to the American critic, Harold Rosenberg, in an interview printed in the catalogue, that perhaps he cannot draw like Rubens, "that maybe (he does not) really have the talent for that kind of drawing": but the suggestion clearly stands that, if only he were less impatient, of course he could. Speaking of Renaissance painting, he objects strongly to the drapery: "The drapery covered so many sins. Whenever the painter came to a difficult part he put another piece of cloth over it." Andrew Forge, in an introductory essay, also tells us that de Kooning sometimes draws with his eyes closed, or otherwise preoccupied, "all stratagems for breaking habits of hand and eye, or for finding ways of interiorising the act of drawing most completely, closing the gap between drawing and drawer." Well, now we know: when de Kooning comes to a difficult bit, he, which I doubt that Rubens ever did, shuts his eyes.

The show of sculpture by Roy Lichtenstein (at the Mayor Gallery's handsome new premises in Cork Street until December 20), for all that it is so manifestly successful a commercial coup, is altogether better for being on the one hand lighter in spirit, genuinely witty and engaging; on the other more seriously and intelligently concerned with sculptural problems. Lichtenstein, whom you may remember as the hero of the Wham scandal at the Tate in the mid-sixties, has taken the kind of imagery he habitually uses, drawn from mass-produced and processed catalogues, magazines and even art books, and instead of painting them has brought them into the real world, as flat as possible but free-standing.

There they are, on their tripod or easel legs, distorting and challenging perspective, figurative images that at once confirm and question their own actuality; for they read both as objects and as illusory pictorial representations. The angle-poise lamp takes off like a rocket on its own rays; the red fish of Matisse are trapped for ever in their contradictory space; the steam rises so solidly from the cup of tea.



Roy Lichtenstein: Lamp on Table

Book Reviews are on Page 29

Christmas at Theatre Workshop

Theatre Workshop's Christmas show *The Amusing Spectacle of Cinderella And Her Naughty-Naughty Sisters* re-tells the original story from Charles Perrault's nineteenth-century fairy tale.

It is written by Martin Duncan, actor and composer and author of *Kinotata, The Revels of Gargantua in Exile, Lotte's Elektrik Opera Film* (with Brian Protheroe) and *Milady's Silver Musick* performed at the Theatre Royal earlier this year, and also designed by David Fisher. Martin Duncan also plays Tifacio the Maestro, leader of the eccentric Italian Band who accompany the actors and perform the shows many new songs.

Pauline Siddle plays Cinderella and Susan Jameson joins Theatre Workshop to play the charming Prince Fritz Fitz-Pince. Brian Protheroe is Buttons and various Barons Fairies, Naughty-Naughty Sisters and ballet dancing cockroaches are played by Peter Benson, Sebastian Born, Vincent Brimble, Bob Critchley, Deborah Findlay, Geoffrey Freshwater, Felicity Harrison, Darlene Johnson, Margot Leicester, Rhys McConnochie, Stephen Ormrod, Robert Pugh, Stephen Warbeck.

Cinderella is directed by Martin Duncan assisted by John Ashford and designed by David Fisher with lighting by Stephen T. Mead.

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EUROPEAN NEWS

STRASBOURG DISAPPOINTMENT AT U.K. VOTE

Firm direct elections date demanded

BY DAVID BUCHAN

STRASBOURG, Dec. 14.

IMMEDIATE disappointment by members of the European Parliament of all political shades from Britain's eight Common Market partners at last night's House of Commons vote on direct elections gave way to-day to determination not to let the U.K. delay the European elections indefinitely.

The Parliament will debate a resolution—and a majority of members, fed up with the continued uncertainty, are expected to back it—calling on the Council of Ministers next month to set a new and firm date for direct elections.

These were to have been held in May or June, 1978, a deadline which, because of the Commons decision on the traditional first past the post method for the U.K., is most unlikely to be met.

The outgoing Council President, M. Henri Simonet, the Belgian Foreign Minister, to-day lent his support for the Parliament's impatience to fix a new date, and said he thought the decision could not wait until the next summit of EEC heads of Government in March, 1978.

He was unwilling to let the British Government entirely off the hook by regarding the postponement of direct elections to 1979 or later as a foregone conclusion, yet he said Dr. David Owen, the British Foreign Secretary, had told him that only in January would the legislative implications of last night's vote become clear.

In the meantime, M. Simonet said it was for the Callaghan Government to "choose Community interests instead of legitimate, but domestic interests."

M. Simonet indicated that governments in some countries like France where direct elections legislation was only passed with great difficulty, and with a rider that a directly elected parliament should not have more powers than the existing nominated parliament, might breathe a sigh of relief at Britain's delay.

Mr. Roy Jenkins, President of the EEC Commission, took the same line as M. Simonet in trying to minimise Britain's delay to "the ability of the whole Community to make an important democratic advance. The priority now is to reduce to a minimum the period of any such delay," he said. "As a former British Home Secretary, I am wholly unconvinced it need be nearly as long as is widely assumed."

France, Denmark and Luxembourg have already passed all the necessary legislation for direct elections, Ireland is expected to follow suit by the end of this month, and Germany, the Netherlands, Belgium and Italy are expected to complete their procedures early next year.

Commission officials said today that Mr. Jenkins would continue to honour his promise to treat the existing Parliament "as though it were directly elected." The Commission president told MPs yesterday that for instance the Commission had this year adopted 68 per cent. of Parliament's amendments compared with only 52 per cent. in 1976.

Nevertheless, even though most present European Parliament MPs will not stand for direct elections in any case, they are becoming nervous about the effect of further delays on the status of the Parliament.

For the Christian Democrat group, Herr Ego Klepsch expressed "bitter disappointment," while Mr. Schelto Patijn sharply criticised the 196 British Conservatives who voted for the "first past the post" system last night.

The sharpest criticism came from Mr. Cornelius Berkhouwer (Dutch Lib.). He was disappointed that the House of Commons had decided to maintain "this obsolete, ancient and unjustified system which means that millions of votes will not be valid."

Parliament Page 19

STATE OF LEGISLATION IN THE EIGHT

BELGIUM: Direct elections legislation presented to Parliament on December 2, 1977. Government proposal for three regional constituencies elected on two national lists (Dutch and French speaking).

DENMARK: Legislation passed December 2, 1977, by 120 votes to 25, nine abstentions. Law provides for single national constituency, one seat for Greenland, and the right to vote for Danes in other EEC member states.

WEST GERMANY: Enabling legislation passed Bundestag and Bundesrat by end June, 1977. Proposal for national lists has run into trouble in Bundesrat, which preferred regional lists. Adoption expected by February, 1978.

FRANCE: Legislation adopted without vote by National Assembly and Senate in June, 1977. Provides for national lists and right to vote for French nationals living outside France.

IRELAND: Legislation presented October 14, 1977, adopted by Dail on November 30, enactment expected by Senate by the end of the year. Provides for single transferable vote system in four constituencies, with voting rights for all EEC citizens.

ITALY: Enabling legislation passed both houses of Parliament by March 24, 1977. Electoral law, implementing it, due to be presented this month.

LUXEMBOURG: Legislation adopted by Chamber of Deputies on December 9.

NETHERLANDS: Enabling legislation adopted by both Houses by end June, 1977. Draft law expected to provide for single national constituency, with proportional representation and right to vote by all EEC citizens, due to be presented to Parliament shortly.

OECD to discuss young jobless

BY ROBERT MAUTHNER

PARIS, Dec. 14.

LABOUR MINISTERS from the OECD member countries begin a two-day meeting here to-morrow to examine what steps can be taken to deal with the growing problem of youth unemployment.

According to statistics prepared by the OECD secretariat for the meeting, youth unemployment, covering the 15-24 years age group presently exceeds 10 per cent. for the 24-nation area as a whole and is estimated at more than 7m. for all the member countries combined.

Though youths under 24 make up only one-fifth of the OECD labour force, they account for nearly two-fifths of total unemployment. Moreover, the problem is becoming more serious in most member countries. The average period during which young people remain unemployed is increasing and much larger categories are now finding it difficult to find jobs.

Australia, Canada, Italy, the U.K. and the U.S. are singled out by OECD experts as the countries in which the problem is most acute. Mr. John Golding, Parliamentary Under-Secretary at the U.K. Department of Employment, told journalists here to-day that in the middle of this year, 607,000 of the 1.5m. unemployed in Britain were in the 16—24 age group.

Mr. Golding claimed that the U.K. was in the vanguard of those countries which had taken specific measures to combat youth unemployment but he believed the problem would remain serious for another five years even if the general level of unemployment was reduced. Britain was suffering the consequences of a birth-bulge, and 170,000 extra people a year were expected to come on to the labour market from now on.

One of the main reasons for the high level of youth unemployment, according to the experts, is the current economic recession, and representatives of the member countries' trade unions to-day called for "significant reflation of national economies," at a preliminary meeting with Ministers here.

The organisation's trade union advisory committee stressed, however, that the problem could be tackled effectively only as part of an overall strategy for full employment, and that young people should not be given jobs at the expense of other groups.

TUC representatives here took a slightly different line, arguing that youth unemployment was, to some extent, a separate problem for which specific solutions could be found.

Eanes given party views

BY DIANA SMITH

LISBON, Dec. 14.

IN RESPONSE to an urgent appeal from President Eanes, Portugal's major political parties are handing in summaries to his office to-day, giving their suggestions for solutions to the country's economic and political crisis.

President Eanes—absent until Thursday on a State visit to West Germany — is trying to persuade fiercely-competitive Socialists, Social Democrats, Christian Democrats, and Communists to come to terms with one another and work out a political platform that adheres in essence to the deflationary measures proposed by the IMF as a condition for future loans.

At the moment Portugal is being ruled by a caretaker Government following the defeat of the Socialist Prime Minister, Mario Soares, last week. The likelihood of a government of Social Democrats — Portugal's second largest party—is becoming daily more remote. If President Eanes cannot oversee the formation of a broadly supported Administration, elections in mid-1978 seem probable.

Although the country as a whole was bitterly critical of Sr. Soares' minority Socialist rule before his parliamentary downfall, the mood is beginning to alter after a week of nebulous, inconclusive, discussions. The Portuguese are protesting: "What was the point in defeating him in Parliament if no one is prepared to take over from him? It is time we had our say."

Menten jailed for 15 years

BY MICHAEL VAN OS

AMSTERDAM, Dec. 14.

MR. PIETER Nicolaas Menten, the 79-year-old Dutch millionaire art collector, was here to-day sentenced to 15 years in jail for committing crimes in the second world war. He had pleaded not guilty.

The presiding judge said that there was sufficient evidence that Menten had taken part in the mass execution of Jews in the Polish village of Podhorodge (now in the USSR) in the summer of 1941. But his alleged participation in a mass killing at nearby Urycz was deemed to be not proven.

The court had been convinced the judge said, that Menten, "while in the enemy's service," had been with a number of Germans who had killed 20 to 30 people in cold blood. The Jews had been shot, and some were still alive when buried.

Dutch authorities had worked closely with Soviet officials, who sent much evidence and witnesses to the Dutch court.

W. German Cabinet confirms energy plans

By Adrian Dicks

BONN, Dec. 14.

THE WEST GERMAN Cabinet agreed to-day on a new series of energy-saving measures, several of which will work by raising consumers' bills, and reiterated the qualified endorsement of nuclear power agreed by each of the two coalition parties at last month's congresses.

Although many of the details of the new measures are still not certain, they do fill in some of the gaps in West Germany's own implementation of the energy-saving steps it is currently urging on others—notably the U.S.

The tax on home heating oil is to be doubled to about DM0.02 a litre next April. The Government also wants to end, or at least radically amend, the so-called second scale of domestic electricity charges, which it claims has encouraged wastage, by offering a discount to households which use a large volume of electricity—though here it may run into difficulties with the Land Governments.

In another measure, the Economics Ministry states that firm undertakings have now been received from the motor industry to introduce next summer new standards for petrol consumption and to give priority in new model design to energy saving.

As expected, the Cabinet restated the intention, expressed at both the Social Democratic and Free Democratic party conferences, of giving coal-burning power stations priority in meeting future electric power needs. Further construction of nuclear plants should be undertaken only in so far as is necessary to meet a shortfall in power supplies that could not be made up from other sources.

● Herr Georg Leber, the West German Defence Minister, faced concerted calls for his resignation to-day from the Christian Democratic opposition and from some sections of the Press as a consequence of the latest East German espionage case which has rocked Bonn and threatened to compromise its intelligence relationship with its Nato partners.

The West German Government yesterday flatly rejected a U.S. Press allegation that it was financially backing a missile testing base in Zaire, Reuter reports. It said: "It is absolute nonsense. The story has been conjured up out of thin air."

Textile orders decline in October

By Guy Hawtin

FRANKFURT, Dec. 14.

WEST GERMANY'S recession-hit textile industry to-day reported a further fall in orders in October. Production declined, unemployment rose and imports increased substantially.

A report from Gesamttextil, the acronym for the country's textile industry association, said that the inflow of orders in October fell by 4 per cent. in value and 3 per cent. in volume compared with the same month of 1976. The clothing industry, its major customer, saw bookings fall in cash terms by 4 per cent. and in volume terms by 7 per cent.

Even more worrying was the drop in export orders. Like most West German industries, the textile and clothing industries are heavily dependent on exports. But, according to Gesamttextil, a more-than-proportional fall in export bookings was noted in October.

Production in October dropped by 2 per cent. in the textile industry and by 4 per cent in the clothing industry. Textile exports during the month were maintained at the previous level but imports rose by 2 per cent.

For the year as a whole, the inflow of orders during the first ten months lay 6 per cent. in cash terms below the level for the same period of 1976. The volume decline was an even more dramatic 8 per cent.

Soviet move away from growth output targets

BY DAVID SATTER

MOSCOW, Dec.

THE 1978 Soviet economic plan may reflect the ambiguity of an economy in transition. Having created a powerful industrial base, the USSR gives the impression of faltering—partly because it lacked the means of measuring and programming a new set of increasingly sophisticated economic goals.

Ostensibly, the 1978 plan is modest in its ambitions, even in comparison with the modest 1977 plan. Not only is the 1978 industrial target of 4.5 per cent. a significant drop from this year's target of 5.6 per cent., but the heavy industry target of 4.7 per cent. is the lowest in 30 years and the 3.7 per cent. targeted increase in consumer goods production is also strikingly low.

The plan, however, calls for a higher level of capital investment than last year and more importantly, for the concentration of resources on the completion of unfinished projects which in 1976 constituted 80 per cent. of the volume of capital invested. Mr. Nikolai Baibakov, head of the State Planning Committee, also stressed the importance for 1978 of technical re-equipment of existing enterprises.

The reduction of output targets in the 1976-80 five-year plan and the particularly modest targets for 1978 are disappointing in traditional Soviet terms but may reflect the view of some planners that growth output does not really measure the economy's productivity and that under some circumstances "less is more."

Mr. Dimitri Valavol, an economist and deputy chief editor of Pravda, gave some of the argument for a varied set of economic indicators and more intensive form of economic development in a three-part series of articles in Pravda last month which has been singled out by Soviet and Eastern European sources as a harbinger of things to come.

Mr. Valavol argued that the concentration on growth output and absence in the Soviet economy of indicators able to measure other economic functions, such as contracts filled or production per rouble or production per man hour, create endemic inefficiencies which can lead to deception by managers and to staggering material waste.

This line of thought was reflected in Mr. Baibakov's remarks in which he stressed the need to make efficient use of the products of ferrous metallurgy, despite the fact that the Soviet Union is the world's largest steel producer, and in his announcement that for the first time in recent years the target for steel production in 1978 (152.6m. tonnes) was virtually the same as in the previous year.

Mr. Valavol said that the fixation with growth output has harmed the Soviet economy. Besides being taken as a measure of the success of the economy as a whole, output has also been calculated the material of the system's workers. Since this calculated in part on of the value of materials, the system a powerful incentive more expensive individual products on the input costs they charge and output on the basis added total. An example in Kharkov, 200 kilogrammes kilogrammes steel change their customers of the wasted steel reduce their steel value of the factory put accordingly.

Mr. Valavol these circumstances principally search for which assure ment bonuses They are very to the reconstruction enterprises while computed on the general volume than whether they given job.

Mr. Valavol attempt to substitute realisation" (the sold) for growth economic indicator it shared with growth tendency to encourage sary consumption of This was because, put it, it was achieve a high small output of goods.

Editorial comment

U.S. Deputy Agriculture Secretary Dale Hathaway said yesterday the Soviet Union plans to buy almost 15m. tons of grain from the U.S. in 1978, UPI reports from Moscow. He also said the Soviet Union has agreed to provide more information on its grain harvest.

Belgrade rejects Moscow protests on envoy's book

BY PAUL LENDVAI

BELGRADE, Dec. 14.

THE YUGOSLAV Government has rejected two recent Soviet protests against the publication of the memoirs of a former Yugoslav envoy to Moscow, it was learned here to-day from reliable sources.

Contrary to an earlier agency report, copies of Mr. Josip Micunovic's explosive account of Soviet-Yugoslav relations have not been withdrawn from bookshops.

Demand for it is such that despite a first printing of 10,000 copies, a new edition will come out next year.

The Soviets, who first lodged an oral protest and then a more formal protest note, were told that Mr. Micunovic was a private person. Following a stroke, the former Deputy Foreign Minister, Ambassador to Moscow and member of the State Praesidium had to retire in 1974.

At a recent meeting the State Praesidium considered the case, which has subjected relations between Moscow and Belgrade to renewed strains.

As Mr. Micunovic has revealed only true facts with his personal comments, the Yugoslav leadership dropped the idea of any legal proceedings against him. The mass media, however, were "advised" to give the book minimum publicity.

Privately, many Yugoslav officials are delighted that what they describe as the "taboo" concerning Yugoslav-Soviet relations has at last been broken, and that an inside account of an important period in recent history has become available.

In another major policy departure, the Communist parties of Yugoslavia and China are understood to have established relations, after two decades of bitter ideological feuds.

Yugoslav party members were recently informed that an informal understanding to that effect was reached during President Tito's trip to Peking last summer.

A Yugoslav trade union delegation recently visited China, where books about the Yugoslav system of self-government are due to be published.

However both sides maintain a low profile with regard to the controversial issue of inter-party relations. But it is also understood that the exchange of party delegations is planned.

Bonn prop at Belgrade on terror

By Our Own Corres

BELGRADE, D

THE WEST German to-day submitted a sponsored by 18 condemning terrorist and supporting the UN convention taking of hostages to up conference on security here.

France, however, did M. Philippe Richer, the ambassador, said the issue of hostages what he called a treatment.

Meanwhile several of the European Com NATO are upset that Italy yesterday co Spanish proposal Mediterranean without ing their allies before

The proposal, supp by Portugal, Turkey slavia was for a experts, on economic and cultural co-operation area. It also raised bility of a meeting of reanean states "at an ate date."

East Bloc speakers the 19-nation proposal terror and demanded should be formulated broader scale.

European Court rejects United Brands plea

BY A. H. HERMANN, LEGAL CORRESPONDENT

THE EUROPEAN Court has refused a request by United Brands, the U.S.-based food group, for the re-opening of oral proceedings in the company's appeal against the EEC Commission's Chiquita decision, by which it was found guilty of abusing its dominant position on a substantial section of the EEC banana market.

United Brands' request was made in an effort to counteract the opinion delivered before the Court by M. Henri Mayres, one of its Advocate Generals, who fully endorsed the Commission's decision.

The company claimed the opinion contained factual errors and was based partly on reports not on the Court's file, on which United Brands could not present its case.

Although the application will not be placed on the Court's file, the company has succeeded in its main purpose, to put its comments before the judges.

The Court's consideration of its request has also delayed delivery of the judgment, which originally due before Christmas, has now been postponed indefinitely.

Banks finalise $500m. Turkey credit

BY DAVID TONGE

ANKARA, Dec. 14.

AS TURKEY edges towards the currency "modification" demanded by the International Monetary Fund team now in Ankara, a consortium of banks is tying up the final details of a major medium-term credit to Turkey which is expected to exceed $500m. but which at present will only be made available on completion of Turkey's negotiation with the IMF.

These developments take place against a background of Cabinet disputes and of quarrels within the Justice Party of Mr. Suleyman Demirel, the Prime Minister. He is thought to be reluctant at this stage to sign the usual letter of intent, particularly if it contains a reference to the devaluation of the Turkish lira now widely expected.

In an attempt to avoid giving ammunition to its critics, the Government is pressing the IMF to give Turkey the $45m. compensatory financing—agreed in principle in September—before making any change in exchange rate, according to sources close to Mr. Demirel. These sources say that the Justice Party is far from enthused by its showing in Sunday's municipal elections and, believing that the Portuguese Government's fall was perhaps helped by the commitment given to the IMF, is therefore asking the IMF to moderate its stand.

Devaluation is a taboo word in government circles but the question of how Turkey "adjusts" its exchange rate is now the main stumbling block impeding an agreement with the IMF, according to officials closest to the Turkish negotiating team. Mr. Necmettin Erbakan, the Deputy Prime Minister, continues to insist that "categorically that there will be no devaluation."

With Mr. Erbakan's signature necessary on any devaluation decree, one solution being canvassed is to have two "modifications"—as devaluations of less than 10 per cent. are classed here—of 8 and 9 per cent. This idea is described today in the pro-Government newspaper Tercuman, though the Central Bank Governor, Mr. Tayyip Sadiklar, insists that the bank is not the source of this report and challenges its accuracy.

So far the economy has managed to soldier on in a way surprising foreign bankers. But the foreign exchange crisis means that an increasing number of factories are being forced to reduce operations because of a shortage of imported raw material.

An agreement with the IMF is all the more necessary as the bankers say that it is one of the four preconditions for further funds to be advanced by them to Turkey. However, they say they would now be happy with an agreement merely involving the $45m. compensatory financing and the $65m. which is Turkey's first credit tranche. They say they would no longer insist on a larger agreement with the tougher conditions attached to it. "We can't expect Rome to be built in a day," one banker said here to-day.

Chase Manhattan has been carrying out a survey for the Central Bank of the conditions required by foreign banks before they will advance further funds to Turkey. One leading banker says that apart from an IMF agreement the banks also wish to see the transfer of the $100m. overdue for repayment of the convertible lira deposits (CLD); firm measures to discourage a further build-up in Turkey's short-term debt and in particular of the CLD; and a tidying-up of the Central Bank's overdraft with banks abroad, which are now estimated at $100m.

Representatives of the lead banks in the consortium—Citibank, Morgan Guaranty, Deutsche and Dresdner—are to meet this Friday in West Germany and are expected here next week. One banker says that the present plan is to make Turkey a $500m. medium-term credit with a five- to seven-year term though with no great period for repayment. He says that until this is negotiated on the Euro-money market the lead banks would consider making Turkey a smaller short-term credit subject to the four conditions being met.

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COMPANY NOTICES

COMPAGNIE FINANCIERE DE PARIS ET DES PAYS-BAS

Capitalisation Issue 1977

Issue of 2,208,000 new shares of FF.100 nominal

In accordance with the resolution passed at the Extraordinary General Meeting on 17th December, 1975, the Board of Directors has resolved to increase the issued share capital by F.Fcs. 220,800,000 from F.Fcs. 1,104,000,000 to F.Fcs. 1,324,800,000 by way of Capital Issue of 2,208,000 new shares of F.Fcs. 100 nominal, on the basis of one new share for every five shares already held.

There will be no entitlement in respect of fractions.

The new shares which rank for dividend as from 1st January, 1977 are being issued on the terms of the Company's announcement dated 5th December, 1977. Copies of this announcement with an English translation, are available on request at the offices of the London Paying Agent, S. G. Warburg & Co. Ltd.

Application has been made in Paris to list the new shares on the Paris Bourse and will also be made for the new shares to be admitted to the Official List of The Stock Exchange, London.

Procedure in the United Kingdom

Authorised Depositaries in the United Kingdom wishing to claim their entitlement for new shares must lodge the following :—

Bearer Deposit Certificate for marking Square No. 5

In respect of Share Certificates Coupon No. 168

on or after 22nd December 1977 between 10.0 a.m. and 3.0 p.m. at the offices of the London Paying Agent :

S. G. WARBURG & CO. LTD.,
Coupon Department,
St. Albans House,
Goldsmith Street,
London, EC2P 2DL.

Temporary Receipts will be issued and Lodgement forms are obtainable on application.

Authorised Depositaries will be advised at a later date when the new Bearer Deposit Certificates/Share Certificates are available to be exchanged for Temporary Receipts.

S. G. WARBURG & CO. LTD.
London Paying Agent and Depositary.

15th December, 1977.

ANGLO AMERICAN CORPORATION GROUP
TRANSVAAL GOLD MINING COMPANIES
FINAL DIVIDENDS—FINANCIAL YEARS
ENDING 31ST DECEMBER 1977

On 14th December, 1977 dividends were declared in South African currency payable to members registered in the books of the undermentioned companies at the close of business on 30th December 1977.

The transfer registers and registers of members will be closed in each case from 31st December 1977 to 13th January 1978, both days inclusive, and warrants will be posted from the Johannesburg and United Kingdom offices of the transfer secretaries on or about 2nd February 1978. Registered members paid from the United Kingdom will receive the United Kingdom currency equivalent on 24th January 1978 of the rand value of their dividends (less appropriate taxes). Any such members may, however, elect to be paid in South African currency, provided that the request is received at the offices of the transfer secretaries in Johannesburg or in the United Kingdom on or before 30th December 1977.

The effective rate of non-resident shareholders' tax for the under-mentioned companies is 15 per cent.

The dividends are payable subject to conditions which can be inspected at the head and London offices of the companies and also at the offices of the companies' transfer secretaries in Johannesburg and the United Kingdom.

Name of company (all of which are incorporated in the Republic of South Africa)	Dividend No.	Rate of dividend per share
East Daggafontein Mines Limited	71	20 cents
Vaal Reefs Exploration and Mining Company Limited	43	60 cents
Western Deep Levels Limited	32	47.5 cents

EAST DAGGAFONTEIN MINES LIMITED

The company has ceased mining operations and since 1974 no dividends have been distributed to members.

The dividend now declared represents a distribution to members from surplus funds arising during the current year out of clean-up operations, sale of equipment and plant, and the company's share of revenue derived by certain outside parties under agreements as referred to in the quarterly report dated 21st October 1977.

The payment of future dividends by the company cannot be forecast at this stage.

THE SOUTH AFRICAN LAND & EXPLORATION COMPANY LIMITED

The directors of the South African Land & Exploration Company Limited have decided that no dividend will be paid by this company for the year ending 31st December 1977.

By Order of the Board
ANGLO AMERICAN CORPORATION OF SOUTH AFRICA LIMITED
Secretaries
per: J. E. TOWNSEND
Senior Divisional Secretary

Transfer Secretaries
Consolidated Share Registrars Limited,
62 Marshall Street, Johannesburg, 2001
(P.O. Box 61051, Marshalltown, 2107)

Head Office
44 Main Street,
Johannesburg, 2001
(P.O. Box 61587,
Marshalltown 2107)

Office of the United Kingdom
Transfer Secretaries
Charter Consolidated Limited,
P.O. Box 102, Charter House,
Park Street, Ashford,
Kent TN24 8EQ.

London Office
40 Holborn Viaduct,
EC1P 1AJ.

15th December 1977

CINEMAS

ABC 1 & 2 SHAFTESBURY AVE. 836 8861. Sep. Perfs. ALL SEATS BKBLE. 1. Golden Rendezvous (A). Wk. & Sun. 2.00, 5.30, 8.30. 2. The Skins (A). Wk. & Sun. 2.00, 5.15, 8.15.

CAMDEN PLAZA. Camden High St., NW1 (opp. Camden Town Tube). 485 2443. Taviani's PADRE PADRONE (X). Grand Prix Cannes '77. 4.05, 6.25, 8.50.

CURZON, Curzon Street, W.1. 499 3737. COUSIN COUSINE (AA) (English subtitles). "Winsome, enjoyable and still French." The Observer. Progs at 2.30 (not Sun.), 4.25, 6.25 and 8.30.

LEICESTER SQUARE THEATRE. (930 5252) NUREYEV as VALENTINO (X). Sep. progs. 1.10, 4.40, 8.10. Sun. 3.00, 7.45. Late show Sat. 11.45 p.m. Seats bkble. for 3.10 prog. Mon.-Fri. and all progs. Sat. and Sun. No late show booking.

ODEON LEICESTER SQUARE. (930 6111). NEW YORK, NEW YORK (A). SEP. PROGS. Week 1.25, 4.30, 8.00.

ODEON, Marble Arch. (723 2011-2) A BRIDGE TOO FAR (A). Sep. progs. Wk. 3.00, 7.45. Advance booking 7.45. perf. Mon.-Fri. Both perfs. Sat. and Sun.

PRINCE CHARLES, Leic. Sq. 437 8181. SALON KITTY (X). Sep. Perfs. Dly. (inc. Sun.) 2.45, 6.15, 9.00. Ltd. Show Fri. & Sat. 11.55. Seats Bkble. Lic'd Bar.

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Congressional attack on Japan minister over trade

BY DAVID BELL

WASHINGTON, Dec. 14.

IR. NOBUHIKO Ushiba, the apanese External Trade finister, ran into a storm of riticism when he went to apitol Hill yesterday: "It was ke walking into a machine un," one Japanese diplomat ld after the meeting.

The Japanese Minister, who is n his third day of talks with the dministration, met for an hour ith a group led by Congressman harles Vanik, a leading advo- ate of more protection for the S. steel industry against reign competition.

Mr. Vanik told Mr. Ushiba ountly: "Japan is creating great ostility and is in a very pre- rious position politically in the S."

The Congressman, who is airman of the House Ways d Means Sub-Committee on ade, said the "pressures in ongress are growing and may difficult to contain if they he Japanese) fail to address emselves to this problem very ickly."

More diplomatically, this is the essage that a succession of nior Administration officials ve been putting to Mr. Ushiba the past days.

At a briefing last night, ficials said there were now indi- tions that the Tokyo Govern- nt recognises the seriousness the situation and is prepared accept the possibility at least t the current account may ve into deficit.

One senior official said Mr. Ushiba had indicated that if the current account should move into deficit "from time to time," the Fukuda Government would not seek to take measures to resurrect a surplus.

The official said Mr. Ushiba has told the U.S. that Japan accepts that the present surplus is too high, that it should swiftly be reduced and that Japan does have an international responsibility in this regard which it cannot shirk.

At face value, this appears to be a major concession. But other American officials are, for the moment at least, unwilling to abandon the scepticism with which they greet statements of this kind by Japanese officials.

They note Mr. Ushiba has not committed the Fukuda Government formally to reduce the surplus or to take actual further measures to stimulate the Japanese economy.

The U.S. is at pains to stress that it is not seeking to tell Japan what measures it should take. Rather the cumulative effect of whatever package it chooses must meet the overriding American objective that the current account surplus must be well on the way to being eliminated within two years.

Asked whether this might not impose large burdens on the Japanese, who have their own intractable economic problems, officials responded last night that "adjustments are always somewhat painful but there is no such thing as a free lunch in economics."

The Japanese response to remarks of this kind is to point to the failure of the Carter Administration and Congress to come to grips with the energy crisis.

This, the Japanese believe, is the major problem facing the U.S.—not Japanese imports.

Since neither side wishes to find itself boxed in, it is taken for granted here that there will be more negotiations.

For one thing, the U.S. team is still studying the fine print of the package that Ushiba brought with him and it will also want a closer look at the tariff cuts announced in Tokyo to-day.

But it is thought unlikely that Mr. Robert Strauss, the President's Special Trade Representative, will be willing to go to Japan until there is more evidence of concrete concessions by the Fukuda Government.

However, the talks do not end until to-morrow and it is not ruled out here that the Japanese may save their most important concessions until the end so that both sides may at least claim that there has been the appearance of progress.

As to the reality, said one official last night, "we shall have to watch the numbers very closely in the next few months to see if all this really means anything."

Laser N-fuel enrichment poses proliferation threat

BY DAVID FISHLOCK, SCIENCE EDITOR

A NEW method for enriching uranium has reached a stage of development where, according to U.S. reports, it could supplant plutonium as the major worry in preventing trying to prevent the spread of nuclear weapons.

The oil group Exxon—one of at least four U.S. organisations studying enrichment by means of the laser, a powerful source of light—is said to have made enough progress for its route to be classified by the U.S. Department of Energy.

The research has been carried out by Exxon Nuclear of Richmond, Washington, a nuclear fuel company, under the direction of Mr. Ray Dickman, its president.

The singular achievement of Exxon's $30m. research investment which, it iis said, has encountered security problems, is a way of separating the enriched isotope stream once the feedstock has been processed by the laser beam.

As a prospective commercial enrichment process for nuclear fuel, laser enrichment has two enticing advantages to offer over present-day processes such as gas diffusion and the gas centrifuge.

One advantage is that it should be possible to achieve the desired level of enrichment in only two stages where existing routes require many stages.

Another is that it may be possible to extract economically much more of the desired uranium isotope—uranium-235—from a given quantity of uranium ore, thereby significantly reducing the demand for uranium.

The most obvious drawback of the new route, is that, if these commercial objectives are within reach, laser enrichment affords the cheapest and least easily detectable route to a nuclear explosive. Many nations, including Britain at Harwell—are known to be studying the process.

Compared with the gas centrifuge—which until quite recently was recognised as the biggest potential threat of nuclear proliferation—laser enrichment might prove a process very easy to install and conceal.

The Exxon process, also under investigation at Los Alamos—one of the U.S. nuclear weapons research centres—depends on the use of an infra-red laser bead tuned to a frequency which energises one of the uranium istotopes present.

Warm uranium hexafluoride gas ("hex"), as used in the present commercial enrichment processes, is blown through a nozzle at supersonic speeds and then into the laser beam.

The most difficult step, experimentally, has proved to be getting the separating of the energised or excited isotope from the great bulk of the uranium, more than 99 per cent.

The likelihood is that laser beams are also used for this purpose, albeit at much higher power than those used to preferentially excite the fissile uranium-235 isotope

Harrier plans 'postponed'

WASHINGTON, Dec. 14.

THE U.S. Defence Secretary, Mr. Harold Brown, is expected to submit to President Carter, in a few days, a defence budget which would cut purchases by the Navy of F14 fighter aircraft, and drop plans for a new vertical take-off aircraft, the Harrier, for the Marines, at least temporarily, according to Pentagon sources.

Administration sources said that Mr. Brown's budget for the year starting next October, based on revised requests from all three services, was on the agenda for discussion at a White House meeting on Friday of this week with Mr. Carter and the Budget Director, Mr. James McIntyre.

Sources have said that the Pentagon version of the defence budget could go as high as $130bn. Final changes will be made in a White House review, in which that figure is expected to be further reduced before the finished budget goes to Congress in January.

The armed forces submitted their final requests to Mr. Brown on Monday, following guidelines laid down by the Secretary which reflected his own cuts in some programmes, the sources said.

They said that some of the biggest changes affected the navy, which in recent years has received a larger share of the defence budget than other services, because of its big ship-building and aircraft programmes.

The sources said that Mr. Brown let stand an earlier decision, despite an appeal by the navy and marine corps, to postpone an advanced model of the Harrier vertical take-off jet for the Marines until at least the following year. The present Harrier has been plagued by crashes and maintenance problems. Some Pentagon officials have sought to scrap the programme for the advanced model, the AV8B.

Among other cuts ordered by Mr. Brown, the sources said, were a reduction from 36 to 24 in planned production of F14 Tomcat fighters for the navy in fiscal year 1979. The navy has been criticised for buying too many of the aircraft, which cost $19.7m. each, at the expense of other aircraft.

UPI

Siemens Argentine plan

Siemens has won a DM130m. (£32.5m.) order from the Argentine telephone authority for 100,000 local and trunk call equipment units and 135,000 telephone sets, Reuter reports from Munich. The order will provide full capacity use for Seimens' factory in Buenos Aires.

Blumenthal warns on NYC deficit

BY JUREK MARTIN, U.S. EDITOR

WASHINGTON, Dec. 14.

NEW YORK city still has some way to go to put its financial house in order, and will have to accomplish the task with no more help than the state of New York can provide, according to the Treasury Secretary, Mr. Michael Blumenthal.

In congressional testimony to-day, reviewing New York city finances, Mr. Blumenthal said bluntly: "While the Federal Government has supported the city in many crucial ways during this difficult period, we should not allow the city to become a ward of the Federal Government."

The Secretary's basic message was that the austere regime which the city has been forced to institute over the last three years will have to continue.

Specifically, he said that the city would have to achieve "a condition of truly recurring budget balance." Although the budget is technically in balance, city officials have recently pointed to a potential deficit in the operating budget of $249m. in the next fiscal year. This potential shortfall, which, Mr. Blumenthal noted, made no provision for pay increase for city employees, due to be negotiated in the spring, would have to be closed.

The budget plan, he said, "should specify those actions the city will take, and which the state will take, to eliminate this overall deficit. The plan may assume continuation of certain federal fiscal assistance, but the principal actions must be local ones."

New York, he added, must also find a way of reducing its borrowing needs, now running at $3bn. per annum. The municipal unions and the main commercial banks could play key roles, he suggested—the former by continuing their "remarkable" role of restraint, the latter by intensifying their willingness to market financial issues related to the city.

Mr. Blumenthal particularly regretted the failure of the city's attempt early last month to re-enter the short-term credit market, brought about when Moody's, the bond rating agency, gave the city issues its lowest possible rating.

Noting that the city faced another financing crunch when two current sources of borrowing expire on June 30 next year, Mr. Blumenthal gloomily observed: "The likelihood that New York will return to the public markets, beginning July 1, for the full amount of its short- and long-term needs, is poor."

U.S. farm strike starts

CHICAGO, Dec. 14.

FARMERS ALL over the U.S. go on strike to-day in protest at low farm prices, but without the backing of the big agricultural unions.

The farmers say they will refuse to sell their produce, or to buy new supplies and equipment, and will delay spring planting until Congress raises federal price supports.

The strike call comes from American Agriculture, a new group based at Springfield, Colorado

Mr. Lon Kerr, a spokesman for the group, said: "We are losing money every year, we are being strangled by debt while the middle men make all the profits."

The strikers are opposed by the Carter Administration as well as farmers' organisations. Mr. Bob Bergland, the Agriculture Secretary, said that to guarantee farmers profits would displace the public marketplace with a federal bureaucracy.

Social Security Bill compromise

BY OUR OWN CORRESPONDENT

WASHINGTON, Dec. 14.

ONGRESSIONAL leaders this orning resolved a last minute oblem that had delayed ratifi- tion of the important Social curity Bill.

The Bill, which would add 27bn. to payroll taxes over the xt ten years and which is signed to restore solvency to ailing social security system, ll now probably be voted on by th chambers to-morrow and nt to President Carter for his nature.

The stumbling block had been non-germane amendment in- ed by Senator William Roth, Delaware Republican, pro- ing a tax credit for Americans help defray the cost of college ucation. Mr. Roth has dropped rider and hopes that it can be ed to another piece of legislation early next year. His proposal had been vigorously opposed by the Administration.

This development, combined with another faint sign of compromise on the Energy Bill (which may, of course, be another false dawn), tends to lift some of the concern very evident here over the pace of congressional action on vital pieces of legislation.

In an interview with American reporters published to-day, Vice-President Walter Mondale more or less acknowledged that perhaps the Administration had asked too much of Congress this year and implied that the demands would be rather less in the next session.

Mr. Mondale, whose office also makes him president of the Senate, contended very strongly that this year's session had been one of the most successful "in a long, long time." He thought the current deadlock over the energy bill was "a temporary setback at most" and characterised relations between the executive and legislative branches as being marked by "controversy" but certainly not antagonism, hostility or suspicion, he said.

But he did add that, in retrospect, "the pace was a little too strong in the first year," he said he thought President Carter, as a new President, "was a little more optimistic about the speed with which the congressional process works than many old-timers in this town.

"Now he's had a year's experience," Mr. Mondale went on, "He has seen the process work at first hand, he is anxious to better schedule and pace his proposals."

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Statement from Chairman, Arthur Chamberlain, M.C., T.D.

YEAR ENDING 31st JULY, 1977

★ We achieved record sales of £7.5 (£5.8) million

★ Export Sales £587,134 (£326,555) up 80%

★ Profits before tax £440,757 (£284,849) up 55%

★ Your directors recommended a bonus issue of one 25p ordinary share for every four held by shareholders

We must not allow ourselves to be overly influenced into believing that our economy is now galloping along the road to recovery. The Western World has still not recovered from the oil crisis of 1973 and 1974.

We want inflation brought down to the level of our major overseas competitors which is now about five per cent. We want to see increased productivity and to increase our standards of living. We want encouragement to work harder. We want less Government and less extravagant Government expenditure. We want a worthwhile reduction in taxation so that we can take more of what we earn back home in our pockets. This would provide incentives and confidence, the prerequisite for capital investment.

In such an atmosphere your Company would prosper greatly in the new year. We have established a further increase in production capacity in the expectation that we shall be able to sell the extra this year.

COMPANY NOTICES

CANADIAN PACIFIC LIMITED
(Incorporated in Canada)

DIVIDEND NOTICE

At a Meeting of the Board of Directors held today, the following dividends were declared:

ORDINARY CAPITAL STOCK

Final dividend of forty-eight point five cents (48.5c) per share on the outstanding $5.00 par value Ordinary Capital Stock in respect of the year 1977, of which twenty-five cents (25c) per share is the equivalent of a dividend from Canadian Pacific Investments Limited, payable in Canadian funds on January 30, 1978, to shareholders of record as at the close of business on December 28, 1977.

7½% CUMULATIVE REDEEMABLE PREFERRED SHARES, SERIES A

Dividend of thirty-six point two five cents ($0.362) per share on the outstanding 7½% Cumulative Redeemable Preferred Shares, Series A, payable in Canadian funds on January 28, 1978 to Shareholders of record as at the close of business on December 28, 1977.

4% PREFERENCE STOCK

Final dividend of two per cent (2%) on the outstanding 4% Preference Stock in respect of the year 1977, payable on January 30, 1978, to Stockholders of record as at the close of business on December 28, 1977.

By Order of the Board.
J. C. AMES,
Secretary.

Montreal, December 13, 1977.

CANADIAN NORTH ATLANTIC EASTBOUND FREIGHT CONFERENCE

NOTICE TO SHIPPERS

TERMINAL SERVICE CHARGES AND GREAT LAKES ADDITIONALS APPLICABLE IN CANADA

The members of the above conference rating services between the United Kingdom, Northern Ireland and the Republic of Ireland and Canadian Maritime, St. Lawrence River and Great Lakes ports wish to advise shippers that consequent upon an announcement by the Canadian companies of increases in their charges to take effect from 1st January 1978 it has been necessary to reflect these third party increases in the Great Lakes additionals and terminal service charges payable in Canada.

However in order to follow their customary practice of giving shippers 30 days notice of such increases the Great Lakes additionals and terminal service charges will not be increased until 16th January 1978 and details of the new charges may be obtained from any of the undernoted member lines.

Atlantic Container Line G.I.E.
Canadian Pacific Steamships Ltd.
Cast Containerline Company Ltd.
Hapag-Lloyd AG.
Manchester Liners Ltd.
Golden Cross Line Ltd.
Joint Secretaries.
Ernst Russ.

CANADIAN ATLANTIC FREIGHT SECRETARIAT LTD.,
Secretaries.
Mersey Building,
Liverpool L3 1DS.
December 1977.

J. A. DEVENISH & COMPANY LTD.

NOTICE IS HEREBY GIVEN that the TRANSFER BOOKS relative to the Company's Ordinary Stock will be closed from the 10th January, 1978 to 24th January, 1978 (both dates inclusive) for the preparation of Dividend Warrants payable on 26th January, 1978.

By Order of the Board,
J. A. LUTHWAITE,
Secretary.

Trinity House,
15 Trinity Street,
Weymouth.
7th December, 1977.

LEGAL NOTICES

IN THE MATTER of BRITISH LEATHERGOODS MANUFACTURERS' ASSOCIATION and IN THE MATTER of THE COMPANIES ACT 1948

NOTICE IS HEREBY GIVEN that the creditors of the above-named Company, which is being voluntarily wound up, are required, on or before the 31st day of December, 1977, to send in their full Christian and surnames; their addresses and descriptions, full particulars of their debts or claims, and the names and addresses of their Solicitors (if any), to the undersigned R. W. Knox of Kidsons, 69, Aldwych, London, WC2B 4DY, the Liquidator of the said Company, and, if so required by notice in writing from the said Liquidator, are, personally or by their Solicitors, to come in and prove their debts or claims at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution made before such debts are proved.

Dated this 5th day of December 1977.

R. KNOX, Liquidator.

N.B.—This notice is purely formal. All know Creditors have been, or will be, paid in full.

ART GALLERIES

AGNEW GALLERY, 43, Old Bond Street, W.1. 01-629 6176. MASTER DRAWINGS until 22 December. Mon.-Fri. 9.30-5.30. Thurs. until 7.

ANNDELPHINE & GARY WORNELL-BROWN. Porcelain & Stoneware, RUDOLF WAYNE Watercolours. RADLETT GALLERY, 141 Watling St., Radlett. Tocs.-Sat. 10-5. Closes 24 Dec.

COVENT GARDEN GALLERY CHRISTMAS EXHIBITION, 200 BRITISH WATERCOLOURS mainly £25-£65. Suitable for modest collectors. 20 Russell St., W.C.2. 836 1138. Dly. 10-5.30. Thurs. and Sats. 12-30.

Falklands negotiations criticised

By Hugh O'Shaughnessy

BRITAIN should not hand over the Falkland Islands to the present Argentine military junta of Gen. Jorge Videla, but should await a restoration of constitutional government in Argentina.

This was stated in London yesterday by Sr. Fernando Vaca Narvaja, deputy leader and secretary for foreign relations of the Montonero Peronist Movement (MPM). The MPM embraces the Montonero guerilla organisation and the left wing of the Peronist movement.

The Argentine claim to the remote British colony in the South-West Atlantic was the subject of a round of talks between Mr. Ted Rowlands, a Minister at the Foreign and Commonwealth Office, and his Argentine opposite number, which ended in New York yesterday.

Sr. Vaca Narvaja added that the MPM would recognise no commercial arrangements, such as those for exploration, agreed between the Videla Administration and foreign oil companies in the context of the negotiations over the Falklands.

The MPM opposition to any agreement between the British Government and the Videla Administration was immediately welcomed by Mr. W. H. Christie of the London-based Falkland Islands Committee which has opposed the negotiations about sovereignty over the islands. "Any such agreement would bolster a non-democratic government," he commented.

Speaking of the 1978 World Cup soccer tournament in Argentina, Sr. Vaca Narvaja said that his movement would make no armed attacks on tournament activities, but would use the occasion for widespread political propaganda.

Brazil plutonium

Brazil has agreed to supervision by the International Atomic Energy Agency of plutonium on order from the Dutch-British-West German consortium Urenco, the Dutch foreign ministry said, AP-DJ reports from the Hague.

Barbados takes bank

The Barbados Government and the Bank of America have agreed to the nationalisation of the bank's operations in Barbados early next year, AP-DJ reports from Bridgetown.

Belize talks

The Premier of Belize, Mr. George Price, has flown to New York to meet the British Foreign Office Minister, Mr. Ted Rowlands, and discuss the claim by Guatemala that it should take over the British colony of Belize, UPI reports from Belize City.

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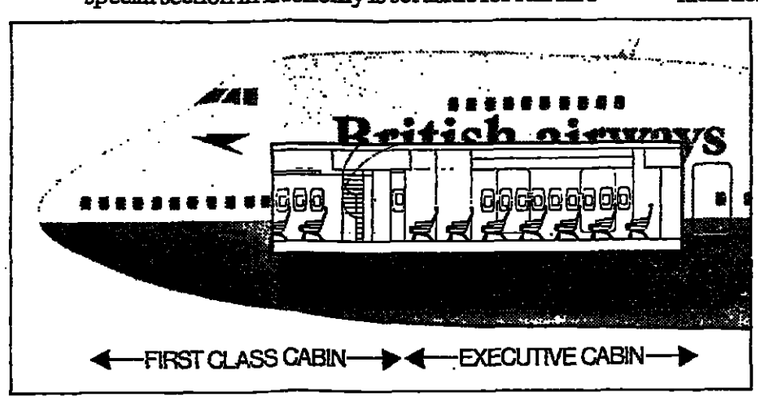

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OVERSEAS NEWS

Egypt and Israel remain far apart as talks open

BY OUR FOREIGN STAFF

DIRECT talks between Egypt and Israel opened yesterday in Cairo, but the inaugural speeches indicated that fundamental differences persist. Nevertheless, both sides pledged themselves to work for a lasting peace in the Middle East.

The conference was being held amid stringent security precautions at the Menu House Hotel, nine miles outside Cairo. Present were the representatives of Egypt, Israel, the U.S. and the UN. Vacant seats had been left around the conference table for Syria, Jordan, Lebanon, the Soviet Union and the Palestine Liberation Organisation (PLO), all of which, with varying reservations, had refused to attend.

In the half-hour of inaugural speeches, differences surfaced between the Egyptian and Israeli chief representatives over the Palestinians. Dr. Ismat Abdel Meguid of Egypt mentioned the PLO, while Dr. Eliahu Ben Elissar of Israel by contrast, spoke of "an appropriate delegation of Palestinian Arabs," when both men were regretting the absence of others at the conference.

Dr. Abdel Meguid hoped that the absentees would still participate in this preparatory stage of the Geneva peace conference." Both delegates stressed that they were aiming for a comprehensive, not a bilateral, agreement. Dr. Abdel Meguid added: "The entire world community earnestly hopes that Egypt's genuine desire to establish a just and lasting peace be reciprocated by Israel." He went on: "Tangible and concrete results are expected and should be forthcoming without delay."

The Egyptian delegate said the legitimate rights of the Palestinians should be fully respected in any comprehensive settlement.

Dr. Ben Elissar said that if there was a lesson to be learnt from the 30-year Arab-Israeli conflict it was that "peace cannot be made by proxy." He said a peace treaty should include "termination of the state of war for ever, establishment of diplomatic relations, commerce, international co-operation, use of international waterways, and mutual assistance in all fields of national activity."

He made no mention however of Israel's withdrawal from Arab lands occupied in the 1967 war. Conference sources said the first substantive talks would begin to-morrow with all sides moving towards "general principles" of an eventual peace treaty acceptable to Israel and all its key Arab adversaries.

Barclays S. Africa bond sale

By Quentin Peel

JOHANNESBURG, Dec. 14.

BARCLAYS NATIONAL Bank, the South African subsidiary of the British bank, announced here to-day that it is to sell its controversial R10m. (£6.6m.) holding of South African defence bonds tomorrow—the first possible redemption day.

The decision was announced by Mr. Bob Aldworth, the managing director of the subsidiary, in the wake of the international outcry which followed the decision to buy the bonds exactly one year ago.

He cited the "difficult international business and political climate in which we operate at the present time" as a factor in the decision.

The bank said Mr. Aldworth had decided to exchange its defence bond investment for "higher-yielding Government stock," although one of the original reasons given for buying the bonds was their relatively attractive rate of interest, 9.5 per cent.

The bank's holding was the largest single contribution to the bonds, which were launched in July 1976.

The decision, coming from the largest bank in the country, is likely to reactivate the pressure for more rapid progress towards raising the proportion of South African ownership of the banking industry. Barclays National is currently 63 per cent. owned by Barclays International, and, like all the banks operating in South Africa, has agreed voluntarily to reduce its level of foreign ownership.

The Barclays' decision is, however, likely to arouse hostility among South Africa's white population in the current climate of resentment against foreign pressure. It is understood that several members of the bank's Board, where only five out of 27 members are not South African, were opposed to the decision. The embarrassment of the British parent bank has clearly proved the deciding factor.

Further hardening of Syrian line on Sadat, U.S. expected

BY IHSAN HIJAZI

BEIRUT, Dec. 14.

A REAPPRAISAL of Syrian policy, currently under way, is expected to produce a harder line on the Middle East question against President Sadat and the U.S., and closer co-operation with the Soviet Union.

Experts on Syrian thinking say that Damascus has decided that there can be no co-operation with President Sadat regardless of the outcome of his peace initiative with Israel. "If any Syrian-Egyptian co-operation is to be re-established, Sadat must go," Syrian leaders are said to insist.

The State-controlled Damascus Radio to-day called the conference which opened in Cairo to-day "the meeting of surrender."

Although the reappraisal of Syrian policy immediately followed President Sadat's visit to Jerusalem last month, it was completed after President Assad returned home earlier this month from the Tripoli meeting at which it was decided to establish an anti-Sadat front under Syrian leadership.

President Assad's remarks at his meeting in Damascus yesterday with Mr. Vance, the U.S. Secretary of State, were taken by observers as reflecting Syrian anger. The President said Mr. Sadat's visit to Israel had wrecked the chances of Middle East peace.

Informed sources expect President Assad to visit Moscow soon for talks with Soviet leaders on USSR backing for the Syrian-led Arab front, not only with words but with sophisticated weapons as well.

The sources do not rule out the possibility of President Assad asking the Soviet Union to provide Syrian with some tactical nuclear weapons to counter balance reported Israeli possession of atom bombs.

Our Foreign Staff adds: Mr. Vance to-day left Damascus for Saudi Arabia, the last leg of his Middle East tour. According to official U.S. sources, Mr. Vance failed to moderate President Assad's categorical opposition to the Cairo talks.

The Government-controlled newspaper, Tishrin, said that Mr. Vance had not been able to convince the Syrian leadership that the U.S. was really striving for a comprehensive settlement to the Middle East crisis.

Mr. Vance's visit to Saudi Arabia will be part of his efforts to mend the rift between Syria and Egypt. Saudi Arabia, whose wealth aids both countries, in general supports Mr. Sadat's initiatives although it has so far held back from publicly endorsing it.

Rhodesian leaders meet again

SALISBURY, Dec. 14.

MR. IAN SMITH, the Rhodesian Prime Minister, and three black leaders held a fresh round of talks to-day on the task of devising a system of safeguards for whites remaining in the country under majority rule.

The talks were the fifth session held since the beginning of Mr. Smith's "internal settlement" initiative on December 2. The black groups taking part are Bishop Abel Muzorewa's United African National Council, the Rev. Ndabaningi Sithole's African National Council-Sithole and the Zimbabwe United Peoples' Organisation of Chief Jeremiah Chirau.

The Rhodesia Herald reported that an unpublicised meeting was held yesterday to put the final touches on a previous agreement that the voting age be set at 18 as part of a settlement. Attending the meeting, the Herald said, was one member from each of the four delegations.

Political sources said the meeting resulted from an objection raised by Chief Chirau to the age limit of 18. They said he argued the age should be 21. The matter now appeared to have been resolved.

The greatest hurdle now facing the conference, the sources said, stemmed from the Government's demand that whites be given Parliamentary veto powers. Mr. Smith's agreement to universal adult suffrage in Rhodesia was made conditional on whites being provided with safeguards and a Parliamentary blocking third to ensure the safeguards would not be overturned. Black nationalist sources have expressed the hope Mr. Smith would revise the demand.

At their last full session on Monday, the participants had what they called "friendly and frank" discussions.

● Dr. David Owen, the British Foreign Secretary, was to-day advised to help a settlement in Rhodesia by persuading the Patriotic Front—and particularly its co-leader, Mr. Joshua Nkomo—to take part in current negotiations and the eventual free elections. The advice came from Mr. John Davies, the Conservative Foreign and Commonwealth Affairs spokesman.

Mr. Davies said that if Mr. Smith's discussions with the other nationalist leaders did lead to agreement on a constitution and thereafter to an election which clearly indicated the will of the Rhodesia peoples as a whole, Mr. Nkomo was going to have a virtually impossible task to upset it.

Agencies

Patriotic Front baby-sitting

By Michael Holman

LUSAKA, Dec. 14.

FOUR THOUSAND refugee children from Rhodesia assembled to-day before Mr. Joshua Nkomo, the nationalist leader, local and foreign journalists at a makeshift primary education centre 15 miles from Lusaka.

It was the first time the Press has been allowed to visit the camp and Mr. Nkomo, joint leader of the Patriotic Front, was taking the opportunity to review progress at the centre, thank donors and dispel any rumours of ill-treatment of the children.

The children and their 47 teachers are living in scores of tents, and most of the classes take place in the open air. But work is proceeding on school buildings, and eventually the centre will have places for 3,000 children, with 60 dormitories, 16 wash blocks, 30 classrooms and a clinic, creche and teachers' accommodation.

Iran price rises slow

By Andrew Whitley

TEHRAN, Dec. 14

IRAN'S cost-of-living index rose by only 0.3 per cent. last month, after seasonal adjustments, the lowest increase for two years. It brings the annual rate of inflation down to 23.9 per cent., according to Mr. Hassan Ali Nehran, the governor of the central bank.

He said the index peaked in August at 30.8 per cent.

However, official indices are known to understate the real inflation rate because of their reliance on the official price of goods and the strong weighting towards seasonal factors.

Spiralling land prices resulting from acute housing shortages, speculation and surplus available capital—are considered to have contributed at least half the previous increases in the index.

Zia on mission to China

BY SIMON HENDERSON

ISLAMABAD, Dec. 14.

GENERAL ZIA-UL HAQ, Pakistan's military ruler, flew to China this morning on a five-day informal visit. He was accompanied by a strong delegation including two of his corps commanders and the top two civilians in the Government, the Secretary General-in-Chief and the Secretary for Foreign Affairs.

The visit is seen here as part of the General's campaign to have his interim military Government recognised internationally. Since deposing Mr. Bhutto in July, he has paid several visits to Middle East countries, mainly to secure financial aid.

China, which has only provided project assistance in the past, is unlikely to provide such aid, but some observers think General Zia may request Chinese-built Mig 21 aircraft to replace the Mig 17s currently in service.

● Pakistan is to ask the World Bank consortium which meets in Paris on Friday for urgent balance of payments support. Donor nations are expected to pledge around $750m. during the meeting but even so there will still be a shortfall in the amount required of $215m., informed sources say.

This gap was to have been met by a $300m. loan being negotiated with Citibank and backed by an Iranian guarantee—but its future is in doubt.

The balance of payments deficit, for the period April to June this year, was running at an annual rate of $720m. The monthly trade deficit of over $100m. is eased by private remittances from Pakistanis living overseas.

Border promise from Ethiopia

By Our Foreign Staff

LT.-COL. MENGISTU Haile Mariam, the Ethiopian leader, has assured two U.S. congressmen that Ethiopia does not intend to carry its war against Somali forces into Somalia itself.

The two congressmen, who were speaking in Addis Ababa, reported Col. Mengistu as saying: "It is not our objective to cross our borders once we have thrown the Somalis out of Ethiopia—we do not intend to repeat the same mistake as the Somalis."

Ethiopia is fighting Somali forces who, since July this year, have taken control of almost all the Somali-populated Ogaden region of Ethiopia. Latest reports indicate that Ethiopian troops are staging a counter-attack on the town of Jijiga, which the Somalis took early in September.

Clumsy divorce for Malay rulers

BY WONG SULONG

KUALA LUMPUR, Dec. 14.

FOR ALL practical purposes, the fragile partnership between the two dominant Malay parties in Malaysia's ruling coalition, is dead.

But unlike Malay divorces, which are often sealed in irrational haste, neither of the Malay partners is, in this case, willing to make the final break. The consequences for the future are too serious.

Thus, the United Malays National Organisation (UMNO), the major party in the National Front coalition, has now given its junior partner, the Party Islam, a chance to change its mind. Malays make up two-thirds of the population. The Party Islam (PAS) has until Saturday to expel all its present leaders, or face automatic expulsion from the coalition.

UMNO (and the other coalition partners) know there is no way the PAS will bow to this ultimatum.

But the prospect of an early General Election is looming large and none of the partners wants to be accused of "breaking Malay unity." All of them realise, however, that the break is bound to come.

The immediate cause for the pressure on PAS is its defiance last month of the whip in voting against the emergency bill, imposing federal rule to the east coast state of Kelantan. But the seeds of the break have their roots in the 26-year-old rivalry for the Malay vote. It has come to a head, however, in the struggle for control over Kelantan. This is Malaysia's most populous Malay state, and it has been calling for UMNO to see it under the rule of the Party Islam for so long.

When the Kelantan chief minister got into trouble with his party some months back, UMNO saw it as too good a chance to miss.

After clumsy political manoeuvring (including trying to buy over a few party Islam assemblymen) federal rule was imposed.

The Prime Minister, Datuk Hussein Onn, defended this by saying he was not doing it for partisan reasons but because the state's security was at stake following violent demonstrations.

Datuk Hussein's defence might well be right, but with Party Islam out of the coalition, Malaysian politics could return to the type of communalism that precipitated the violent riots of 1969.

For the moment, there is little the PAS can do. It is tabling a motion of no-confidence against the UMNO chief minister in Kedah this Saturday, but it must get at least two UMNO assemblymen to cross over for the motion to succeed.

PAS leaders have vowed to make UMNO pay heavily in the coming general elections for depriving them of control of Kelantan. The party is confident it will win back Kelantan. Three UMNO federal ministers, including the ambitious Finance Minister, Tengku Razaleigh, from Kelantan will have to fight very hard to retain their seats.

Even the seat of Dr. Mahathir, the deputy Prime Minister, in Kedah is unsafe. In the 1969 elections, Dr. Mahathir was narrowly beaten by a PAS candidate (PAS joined the National Front only in 1974).

It is likely that PAS and the Chinese-based opposition Democratic Action Party will come to some form of electoral understanding. This pincer pressure from two communal and radical groups could spell disaster for Datuk Hussein, and the National Front, just as it undermined the Tengku and his alliance in the 1969 elections.

The National Front also faces bitter infighting among other component parties in Penang, Selangor, Malacca, and the East Malaysian states of Sabah and Sarawak.

Datuk Hussein will have to put some semblance of unity and order in his shaky coalition before he decides to call the polls, which are likely next April or August.

The Prime Minister intends to assert his authority by a massive cabinet reshuffle soon. He has already got a mandate from his UMNO party for the way he handled the Kelantan-Pas crisis, but the political situation in Malaysia is fluid, and full of intrigues.

Datuk Hussein will have to tread cautiously, but act firmly and decisively if he is to lead his squabbling coalition out of the current mess.

WORLD TRADE NEWS

W. Germans win £125m. Soviet steelworks order

BY GUY HAWTIN

FRANKFURT, Dec. 14.

TWO WEST GERMAN concerns have landed a major contract which will play a large role in the development of the huge Russian Kursk iron ore field. The deal is worth a total of DM500m. (about £125m.).

The companies are: Korf-Stahl, who pioneered the well-known mini-steelworks; and Lurgi Chemie, a subsidiary of Metallgesellschaft, the metals, engineering, chemicals and transport conglomerate. The contract was signed to-day at the offices of the Soviet purchasing commission for the project in Cologne.

Korf and Lurgi will supply the Russians with four Midrex direct reduction plants, with a total capacity of 1.7m. tonnes of sponge pellets a year. The contract covers the construction of the plans, together with the start-up and training of Russian operating personnel.

According to to-day's statement from Lurgi, the reduction plants will form part of the large electro-Metallurgical combine which is to be built at Oskol. They are scheduled to go into production in 1980 and will produce the raw material for the electro-steel works which are being built there.

The Lurgi statement said: "with this order, the Midrex process could boost and consolidate its leading position in the field of sponge iron production. The Oskol reduction plant is the largest Midrex plant designed up to the present date."

U.S. Treasury Secretary Michael Blumenthal said he sees signs that the U.S. and Soviet Union are moving towards possible elimination of trade restrictions between the two nations, Reuter reports from Washington. Mr. Blumenthal specifically mentioned an increase in emigration from the Soviet Union, which has been the key to U.S. resistance to Most Favoured Nations Status for the Soviets and restrictions on U.S. credit preferences for exports to the Soviet Union.

Undoubtedly, the order will give a substantial boost to the order books of both concerns. Metallgesellschaft earlier this week reported that Lurgi's bookings had declined somewhat this year as a result of the recession in world trade. Furthermore, it is understood that Lurgi's share of the contract, at least, will be paid for in cash—an interesting departure from the usual Soviet insistance on "compensation" deals and an indication of the importance the Russians attach to the project.

To-day's news comes hand-in-hand with an announcement from Salzgitter, the West German state-owned steel concern, that its engineering and contracting subsidiary, Salzgitter Industriebau, has landed a DM174m. (about £43.5m.) contract from the Soviet Union. This is for the supply of a large chemical complex due to come into operation in 1981.

The contract covers the supply of 200,000 tonnes a year ethylene-oxide plant at Nishnewamsk by the Karma River. Salzgitter Industriebau will be responsible for all the engineering, purchasing and delivery, as well as supervising the construction and start-up of the plant.

Riders weaken new MFA agreement

By David Egli

GENEVA, Dec. 14.

A LAST-MINUTE agreement was reached here to-day for a four-year extension of the Multifibre Arrangement (MFA) which regulates some $40bn. or four-fifths of world trade in textiles, and was due to expire at the end of the year.

But although the arrangement—itself a departure from GATT rules—ostensibly remains the same, it is now accompanied by a set of "understandings," accepted reluctantly by the textile exporters, which considerably weaken its practical implications in terms of trade.

The freedom of importers to negotiate bilateral agreements with producers and setting stricter limits on growth in imports than those set out in the arrangement was insisted on by the European Community earlier this year.

It has now been formally recognised in the conclusions of the GATT Textiles Committee adopted by consensus to-day which refer to "the possibility of jointly agreed reasonable departures from particular elements (of the agreement) in particular cases"—in fact, adding an additional stricture to an existing derogation of GATT rules.

Whatever the merits of the case, and European producers are certainly being hard-pressed by the growing flood of textile imports, the compromise necessary to avert anarchy in trade in textiles from the end of this year may become an unhappily significant milestone in the history of the GATT.

The issue was clearly put to the meeting by the Yugoslav delegate who noted that participants were, in effect, accepting non-compliance with internationally agreed basic rules under a definition in which there was no limit in time and scope to interpretations.

As if to stress the price it has thus set on renewal of the MFA, the European Community went out of its way to underline that, in its view, the GATT textiles surveillance body was no more than an organ of conciliation. The Community would not accept the board raising any questions regarding bilateral agreements concluded between importers and exporters.

The European Commission, which since the summer has successfully negotiated a number of bilateral agreements with textile exporters, will now submit these and the text of to-day's understanding to the Council of Ministers on the understanding that the conclusions of the Textiles Committee provide "a secure international legal basis," for these bilateral agreements.

EEC to discuss shipping code

BY GUY DE JONQUIERES, COMMON MARKET CORRESPONDENT

BRUSSELS, Dec. 14.

NEW COMPROMISE proposals, aimed at bridging the longstanding differences between EEC governments over the United Nations code of conduct for liner conferences, have been drawn up by the European Commission and will be submitted to Transport Ministers when they meet here early next week.

The Commission recommends that governments of the Nine should subscribe to the code, but only if certain conditions are met. The most important of these is that the principle of non-discrimination between national shipping lines in the EEC should be formally respected and that the code's provisions for fixed cargo sharing arrangements should not be applied inside the Community.

The Commission proposes that it should be charged with negotiating agreements with other member countries of the Organisation for Economic Co-operation and Development, aimed at keeping as much intra-OECD trade as possible free from cargo sharing arrangements. Governments of the Nine should decide whether to ratify the code on the basis of the outcome of such negotiations.

The code of conduct, which was drawn up in UNCTAD almost four years ago, contains a formula under which 80 per cent. of the seaborne trade between any two countries would be split equally between their national shipping lines, with the remaining 20 per cent. reserved for third country carriers. It also specifies minimum terms for the fixing of freight rates and provides for international conciliation procedures.

The code will only come into effect after it has been ratified by at least 24 states accounting for a minimum of 25 per cent. of world trade tonnage. But, though it was passed by an overwhelming majority in UNCTAD, only about 20 countries, accounting for less than 5 per cent. of world fleets have ratified it so far.

If all nine Common Market countries signed up, their combined weight would be enough to bring the code into operation.

But strong reservations have been expressed by Britain, anxious to protect the sizeable cross trade business enjoyed by its national fleet from the threat of mandatory cargo sharing formulae. Denmark also opposes the code.

France, Belgium and Germany have all subscribed to the convention establishing the code, though they have not ratified it, while Italy, Ireland, Luxembourg and the Netherlands have remained generally non-committal. While favouring some aspects of the code the Commission, for its part, is concerned at those provisions which could conflict with the EEC's rules of competition.

Some governments which were previously cool towards the code may now be prepared to take a somewhat more positive attitude because it could serve as a weapon against the increased under-cutting of freight rates by Soviet and East European fleets. But the Transport Ministers are unlikely to take any decision next week on the Commission's proposals, which are expected to be submitted for further study.

El Salvador arms sale in doubt

BY HUGH O'SHAUGHNESSY

THE SALE OF £850,000 worth of armoured vehicles to the Government of the Central American republic of El Salvador may be reconsidered in the light of the political situation in that country, according to senior officials in Whitehall.

The officials give the impression of having been surprised by the strength of the reaction in political and church circles in Britain to the sale. It has been attacked by members of the three main parties in Parliament—in the Lords last Thursday and the Commons on Monday.

Opponents of the sale have pointed to the danger of the vehicles being used against the British Central American colony of Belize by the Salvadorean army, backing Guatemala which claims sovereignty over the territory.

Lord Goronwy-Roberts, Minister of State at the Foreign and Commonwealth Office, stated that the Government had accepted assurances from the Salvadorean authorities that the vehicles would not be used against the British garrison in Belize, but opponents of the deal have pointed out that Gen. Romero, the Salvadorean ruler, has pledged his country's help to neighbouring Guatemala if that country were ever to invade Belize.

On the question of the human rights situation in El Salvador—which opponents of the arms sale argue is so bad that it precludes the arms sale going through—officials say that things are improving.

Tate & Lyle Swazi deal

WASHINGTON, Dec. 14.

THE International Finance Corporation (IFC) a World Bank affiliate, is joining with U.S., British, German, Japanese, and African Investors to finance a $140m. (£76.4m.) sugar production project in Swaziland.

The Royal Swaziland Sugar Corporation with technical assistance from Tate and Lyle of Britain plans to produce about 120,709 metric tons of sugar annually in north-east Swaziland.

The IFC said it will lend $8m. for the project and also will provide a $460,000 equity investment.

Other capital will be provided by Coca-Cola export corporation of the U.S., the German Development company, the Mitsui group in Japan and Britain's Commonwealth Development Corporation.

AP-DJ

$C6bn. Canada pipeline plan

BY JAMES SCOTT

TORONTO, Dec. 14.

THE Polar Gas pipeline consortium said it will apply to Canada's National Energy Board by the end of this month to build a 2,300-mile natural gas pipeline from Melville Island in the Arctic to Longlac in north-western Ontario, about 1,000 miles north-West of Toronto.

The pipeline would connect at Longlac with the existing transmission system of Trans-Canada Pipelines for transport to southern Ontario and eastern Canadian markets.

The consortium contemplates a 42-inch diameter line that would cost an estimated $C6.1bn. and be capable of delivering 3bn. cubic feet of gas daily beginning in the mid-1980s.

The consortium is sponsored by Petro-Canada, a Canadian Government agency. Panarctic Oils, which is developing gas reserves in the Arctic Islands, Trans-Canada Pipelines, Ontario Energy Corporation, a provincial Government agency, Tenneco Oil Canada, a subsidiary of Tenneco, Inc. of Houston, Texas, and Pacific Lighting and Gas of Los Angeles.

The application will be made although Panarctic, the consortium leader, is far from outlining sufficient gas reserves to justify the line. However, the company expects development work during the next two years to increase reserves to the required target of between 17,000bn. and 20,000bn. cubic feet in one area.

Japan order for Hymac

BY KENNETH GOODING, INDUSTRIAL CORRESPONDENT

JAPAN has placed its first orders for the Nibbler concrete breakers which were developed in the U.K. by Hymac in conjunction with the Building Research Establishment.

Hymac, the Powell Duffryn offshoot which makes the Nibbler at its Rhymney plant, is to supply 39 concrete breakers, the largest order so far received for these products.

In the U.K. the Nibbler costs around £6,000. It provides a fast and simple method of bending and snapping reinforced concrete up to 15 inches thick. The Nibbler makes no additional noise to that of the excavator to which it is attached.

Hymac says the Japanese equivalent, known as the Condentsler, is four times as expensive and "not nearly so fast and efficient."

Hymac's Japanese distributor Ekman, in Tokyo, will take delivery of nine Nibblers before the year-end and the remaining 30 from the initial order will be shipped early in the New Year.

Yutani Heavy Industries, one of Japan's leading excavator makers, will undertake exclusive marketing plus fitting and maintenance of the Nibblers in Japan.

Toshiba to build U.S. TV plant

TOKYO Shibaura Electric (Toshiba) has announced plans to become the fifth Japanese company to make colour television sets in the U.S. It is negotiating with the Tennessee State legislature to buy a 100 acre plot in Nashville to build a factory by the middle of next year. Toshiba hopes to make between 10,000 and 20,000 sets a month, mainly 19 inch models, with about 50 per cent. of the parts supplied locally.

Guinness on draught in Australia

Draught Guinness is to be launched in Australia next March, Kenneth Gooding reports. The beer is to be sold by a joint marketing company owned by the British group, Arthur Guinness, and Tooheys, the Sydney-based concern, which will be brewing the Guinness to be sold on draught. It has been selling bottled Guinness for some years.

Initially the main distribution for draught Guinness will be in the New South Wales area.

Turkish road permits

The Department of Transport has announced that permits will be required for road haulage to and through Turkey with effect from January 1, 1978 in accordance with the terms of the road transport agreement recently signed with Turkey. They will be available on demand from the International Road Freight Office in Newcastle and the usual fee of £2.50 per permit will be charged.

COMPANY NOTICES

OMRON TATEISI ELECTRONICS CO.

Advice has been received from Tokyo that payment of a cash dividend of Yen 4.50 per share has been made for the six months period ended 30th September 1977.

The dividend will be payable in United States Dollars (except to residents of the United Kingdom) and will amount to $0.0515 per Depositary share before deduction of any Japanese Withholding Tax.

RESIDENTS OF THE UNITED KINGDOM will receive payment in sterling converted at the rate of exchange ruling on the day of presentation of the coupons.

RESIDENTS OF THE FOLLOWING COUNTRIES are subject to deduction of Japanese Withholding Tax at the reduced rate of fifteen per cent.: Australia, Belgium, Canada, Denmark, Finland, France, The Federal Republic of Germany, Italy, Malaysia, The Netherlands, New Zealand, Norway, Singapore, Sweden, Switzerland, The United States of America.

RESIDENTS OF ALL OTHER COUNTRIES EXCLUDING THE REPUBLIC OF KOREA are subject to deduction of Japanese Withholding Tax at the full rate of twenty per cent.

RESIDENTS OF THE REPUBLIC OF KOREA are subject to deduction of Japanese Withholding Tax at the reduced rate of twelve per cent.

TO OBTAIN PAYMENT UNDER DEDUCTION OF JAPANESE WITHHOLDING TAX AT A REDUCED RATE, THE COUPONS MUST BE ACCOMPANIED BY AN AFFIDAVIT OF RESIDENCE APPROVED BY THE JAPANESE MINISTRY OF FINANCE. FORMS OF AFFIDAVIT ARE AVAILABLE AT ANY OF THE OFFICES LISTED BELOW. IN THE ABSENCE OF SUCH AFFIDAVIT COUPONS WILL BE PAID UNDER DEDUCTION OF WITHHOLDING TAX AT THE FULL RATE OF TWENTY PER CENT.

Attention is drawn to the fact that the aforementioned concessions relating to Japanese Withholding Tax apply only to coupons presented for payment within five months of the record date i.e., 30th September 1977. Thereafter, tax will be deducted at the full rate of twenty per cent. and it will be the responsibility of the owner to claim from the Japanese Tax Authorities any refund to which he is entitled.

HOLDERS OF BEARER DEPOSITARY RECEIPTS (B.D.R.'s) wishing to claim this dividend should present Coupon No. 23 at the offices of any of the following:

HILL SAMUEL & CO LTD., 45 BEECH STREET, LONDON EC2P 2LX.

Where lodgement forms are available.

HILL SAMUEL & CO OHG, Postfach 174163 NIEDENAU 45, 6000 FRANKFURT AM MAIN, WEST GERMANY.

KREDIETBANK SA LUXEMBOURGEOISE, 43 BOULEVARD ROYALE, LUXEMBOURG.

BANK OF TOKYO LIMITED, 4-8 RUE SAINTE-ANNE, PARIS 1ER, FRANCE.

BANK OF TOKYO LIMITED, DUSSELDORF, SCHADOWPLATZ 17, FEDERAL REPUBLIC OF GERMANY.

BANK OF TOKYO LIMITED, AVENUE DES ARTS, 47-49, 1040 BRUSSELS, BELGIUM.

BANK OF TOKYO LIMITED, SUTHERLAND HOUSE, 3 CHATER ROAD, HONG KONG.

BANK OF TOKYO LIMITED TRUST CO., 100 BROADWAY, NEW YORK, USA.

IN THE CASE OF COUPONS PRESENTED FOR PAYMENT IN LONDON, United Kingdom Tax will be deducted from the proceeds unless accompanied by an Inland Revenue Affidavit of Non-Residence. Coupons must be presented by an Authorised Depositary and must be left four clear days for examination.

BANK HANDLOWY W. WARSZAWIE S.A.

$US30,000,000 FLOATING RATE NOTES 1976/81

The rate of interest applicable for the six-month period beginning December 12, 1977 and ending June 12, 1978, and set by the reference Agent is 8¼% annually.

PUBLIC NOTICES

BIRMINGHAM COUNCIL BILLS

The £5m. ninety one day Bills were issued on Thursday 15th December 1977 with maturity on the 16th March 1978. Applications totalled £50m. The minimum price accepted was £98.21½p. The average rate of discount was £5.277198%. The total Bills outstanding is £19m.

FIFE REGIONAL COUNCIL

£2,000,000 91 day Bills issued 7.12.77 due 8.3.78 at 6%. Application totalled £15m. No others outstanding.

NEW GOVERNMENT REGULATIONS COULD STOP YOU BUYING AN AUDI 100.

This year, the Government changed the rules controlling the leasing of cars for business use.

So, at Audi, we no longer have to ask for 10 months charges in advance. In most cases, we're now able to settle for just three months. For example, you could drive off in a brand new Audi 100 automatic by paying us just £500.* (Which is less than half the initial payment on a normal HP scheme.)

From then on you can pay a monthly rental which can include all your maintenance costs.

You don't have to worry about depreciation, either.

And the entire cost of leasing can be set against tax. Which can halve the real cost to you or your firm.

We hope you'll take advantage of this new situation by sending us the coupon below.

After all, it's not every day a Government regulation lets you drive off with something worth £5,000 just by paying £500.

I'm interested in leasing. Please send me details of the car(s) I've ticked. ☐ Audi 80 ☐ Audi 80 Estate ☐ Audi 100 ☐ Audi 100 Avant

Name _____ Position _____ Company _____

Address _____

Cut out and send the coupon to: Audi Leasing, Volkswagen (GB) Ltd., Volkswagen House, Brighton Road, Purley, Surrey.

*This cost is based on: Audi 100 LS Automatic £5,390. Figure also includes 40% buyback at 36 month stage. Terms quoted subject to acceptance by our leasing company, AUF leasing.

HOME NEWS

Out-of-town shopping hopes dashed by policy note

BY ELINOR GOODMAN, CONSUMER AFFAIRS CORRESPONDENT

BIG SUPERMARKET operators' hopes that the Government might open the way for development of large stores outside established towns were dashed yesterday by publication of the Department of Environment's guidelines on large new stores.

A policy note published yesterday, which has been the subject of prolonged discussion between retailers and the various Whitehall departments involved, makes it clear that the Government's priority is to preserve inner city areas.

Retailers will be encouraged to develop sites on the edge of towns only where there is no possibility of building the store within a built-up area or where an edge of town development would not bleed life away from the existing centre.

Proposals for large new stores, it says, will need to be carefully studied against the pattern and adequacy of established shopping centres and in the light of any wider planning objectives for the area concerned as a whole.

Ideally, the guidelines suggest, "superstores" should be accessible to people without cars as well as to car owners. Normally this will either be in an established shopping centre or within one of the new district centres where a big store could serve as a nucleus for trade.

The new note is being sent to local authorities together with a summary of the Ministry of Agriculture's research into the economic effects of "superstores." This research suggests that such stores offer significantly lower prices on some products than other shops and that their main effect is on traditional supermarkets rather than on independent traders — a major source of concern for some opponents of large stores.

City areas

Yesterday the trade was hoping that the basically favourable impression created by the Ministry's research would counteract the rather ambivalent approach towards "superstores" adopted in the Department of Environment's new guidelines.

The new policy note will also provide the backdrop to planning decisions taken by the Department of Environment when examining proposals for new stores. A draft of the note was published 18 months ago.

Since then the Department of the Environment has launched its campaign to re-generate inner city areas and this concern is evident throughout the final version of the policy note despite the basically less restrictive approach towards "superstores" favoured by the Department of Prices and the Ministry of Agriculture.

It repeats the view in the draft that retailing developments should be welcomed when they extend choice in shopping, allow more efficient retailing, enable a better service to be given to the public and make shopping more convenient and pleasant.

It goes on to say that while it is not the function of planning to interfere in competition among retailers, the planners must take account of the benefits which the public might derive from new retailing developments.

It also acknowledges the supermarket's own claims that the trend towards larger stores built outside towns can promote efficiency and make shopping easier as well as relieving urban traffic congestion.

Edge of town sites, the guidelines say, are only likely to be considered for development where size, and requirements or some other factor precludes the stores being built in a built-up area, and where such siting will not be detrimental to the interests of urban inner areas.

Fuel economy

The note also makes it clear that retailers will be very unlikely to get the go-head to build stores on gren belt land or land designated for industrial use. It also indicates that proposed edge of town developments will get a particularly cool reception when proposed close to smaller towns.

Against this rather restrictive approach, however, the note points out that the national need to economise on fuel is not, in itself, a reason for discriminating against the use of the car for shopping. It also makes the point—particularly welcomed by large retailers—that applications will not be called into the Department of the Environment merely on the grounds of local controversy.

Ashley Ashwood

Callaghan optimistic about economy

Mr. Joe Gormley, Miners' Union president, the Prime Minister and Sir Derek Ezra, Coal Board chairman, pictured yesterday at the 300th lunch of the Coal Industry Society. Mr. Callaghan told the society that Britain now had the opportunity to break out of a stop-go economy. North Sea oil gave the country a chance to break out of the constraints of the balance of payments problem which had always been a consequence of growth. But oil was a finite resource. Forecasts varied as to how long it would be before the U.K. supplies ran out, but it was obvious that the country would have to turn to other sources of energy sooner or later. "Over the next ten years, the country will be investing billions of pounds in the pits. This massive investment is coupled with increasing research into new uses for coal. In the longer term, we expect coal to be our source of substitutes for oil and natural gas and the raw material for our petro-chemical industry."

Housing demand forecast 'incorrec

BY MICHAEL CASSELL

THE GOVERNMENT [illegible] seriously underestimated demand for owner [illegible] according to the [illegible] societies.

In its response to the [illegible] ment's Green Paper on [illegible] policy, the Building [illegible] Association describes [illegible] as "a great step forw[illegible] says that the analysis [illegible] private housing demand [illegible] correct.

The Association, wh[illegible] morrow holds a confere[illegible] London to discuss the [illegible] says that Government [illegible] of owner occupation [illegible] based on past trends [illegible] on assessing future dem[illegible]

"It is anticipated in the [illegible] Paper that the number [illegible] households becoming [illegible] occupiers will decline [illegible] with 1971 because new [illegible] prices and mortgage [illegible] increased since that [illegible] the demand by new [illegible] for public sector tenan[illegible] pected to rise.

"These assumptions [illegible] resulted in the projected [illegible] the growth of the owner-o[illegible] stock is expected to slow [illegible] whereas an assessment [illegible] current and future [illegible] would almost certainly [illegible] an opposite conclusion."

Key factors

The Association calls [illegible] Government to encourag[illegible] crease in the supply of [illegible] housing and emphasises [illegible] to make the most effec[illegible] of the existing housing [illegible] cluding wider use of [illegible] ment grants.

The societies challe[illegible] Government's assumpti[illegible] the societies' lending [illegible] prevent the full dem[illegible] owner-occupation being [illegible] and say that the vol[illegible] mortgage money availabl[illegible] than the terms on whi[illegible] advanced, together wi[illegible] number of homes availa[illegible] purchase are the key fa[illegible]

Therefore, they say, [illegible] ment proposals involving [illegible] things as low-start mor[illegible] higher percentage loans [illegible] more mortgages on older p[illegible] ties should be regard[illegible] "essentially peripheral" [illegible] not in themselves help [illegible] home ownership.

Government plans [illegible] savings bonus and loan [illegible] to help first-time buyers [illegible] complex for societies to [illegible] and for presentation [illegible] public, "bearing in mind [illegible] very limited benefits involv[illegible]

Suggestions by the Go[illegible] ment that societies may be [illegible] look beyond the pe[illegible] investor for funds in or[illegible] meet mortgage demand are [illegible] cautious approval, but the [illegible] that raising funds from fin[illegible] intermediaries would be [illegible] to lead to higher mortgage [illegible]

In any case, say the so[illegible] most funds will continue [illegible] raised directly from the pu[illegible] investor.

Royal Dutch-Shell unhappy with 1977

By Kevin Done, Chemicals Correspondent

THE ROYAL DUTCH-SHELL group plans capital expenditure on chemicals next year of about £260m. outside North America.

The company is concerned at the "extremely disappointing" performance of the chemicals business this year, and has announced that timing of some new projects may be affected by depressed trading conditions.

Mr. D. de Bruyne, a managing director of the group, said real growth for the chemical business ultimately depended on investment by its customers. This was unlikely until there was a general return of confidence in economic recovery.

"The chemicals business has been extremely disappointing, with demand virtually flat since the second quarter of 1976. This has been reflected in severe pressures on prices and hence on margins, at a time of continually increasing costs."

Chemical earnings for Shell outside North America this year are well below the level of 1976. Sales in Europe have increased slowly from £740m. in the first nine months last year to £803m. in the same period this year. Total chemical sales in the same period have risen from £1.6bn. to £1.8bn.

Merseyside plans

The bulk of next year's capital expenditure will go on projects in Holland, the U.K. and France.

At Moerdijk, Holland, Shell is building needle coke and propylene oxide plants. At Carrington, Merseyside, it is converting one ethylene plant to gas-oil feedstock at a cost of some £25m. and is almost doubling the capacity of its low density polyethylene plant.

In the South of France it is going ahead with building a £355m. extension to its petrochemical complex at Berre, near Marseilles. A 350,000 tonnes-a-year ethylene plant is due to come on stream there in mid-1980.

One large Shell project in the U.K. that may be affected by re-scheduling of investments is an ethylene plant at Stanlow, Merseyside. It is at the engineering design stage. No decision to go ahead is expected till the middle of next year.

Accountants want receivership law reformed

BY MICHAEL LAFFERTY

WIDE-RANGING reforms of company receivership law and proposals for restricting the operation of "Romalpa-type" reservation of title clauses in sales contracts are called for in submissions by the accountancy bodies to the Insolvency Law Review Committee.

The review committee, chaired by the veteran Receiver and liquidator Mr. Kenneth Cork, was established by the Department of Trade in October 1976 to examine the state of insolvency law and practice in England and Wales. Its work was expected to take about three years.

Among several suggestions for improving receivership law the accountancy bodies say that the rights and duties of Receivers should be extended by requiring them to advertise their appointment, notify creditors as soon as possible, and advertise for preferential claims.

The liability of Receivers under legislation such as the Trade Union and Labour Relations Act and the Employment Protection Act should be made less onerous, the sublission says.

Receivers should be more informative in their accounts, and these subject to some form of independent review, probably by a professional accountant.

The implications of the Romalpa High Court decision of 1975 should be subject to some modification. As a result of the precedent set in this case, an increasing number of companies had been introducing reservation of title clauses into their conditions of sale, with the object of restricting ownership of the goods passing to customers until they had been paid for.

This might lead to many anomalies, as for example in cases where goods had been merged or incorporated with other goods.

To minimise the practical and legal implications of the case, the accountancy bodies proposes that title to goods must pass to customers when goods have been paid for; have been delievered to a third party in the normal course of trade; or become unidentifiable by being incorporated into other goods and subjected to processes.

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Shoemakers attack policy on imports

BY LYNTON McLAIN

THE GOVERNMENT'S import policy for non-leather shoes from Taiwan has come under fire, with the British Importers Confederation delivering a protest to the Department of Trade.

Mr. Tom Harrison, confederation chairman, told Mr. Michael Meacher, Parliamentary Under-Secretary of State for Trade, that there was no case for protection from Far Eastern imports "as alternatives cannot be produced in Britain."

In place of restrictions the delegation favoured the injection of £11m. into the industry recommended by the footwear industry study steering group of the Department of Industry.

The Government imposed import quotas on non-leather shoes from Taiwan in August: 2m. pairs were expected to be imported between then and the end of the year and a target of 7.5m. pairs was set for the period between August, 1977, and the end of next year, based on an annual rate of 5.5m. pairs.

The restrictions came as a result of rapidly-growing imports from Taiwan. Between the first half of 1976 and the same period this year imports of non-leather shoes from Taiwan increased by 122 per cent.

In 1971 total imports at 79.4m. pairs accounted for 31.4 per cent. of the home market by volume. By 1976 imports had reached 96.5m. pairs, or 41 per cent. of the market, although these represented only 23.7 per cent. of the market by value, underlining the high proportion of cheap shoes imported.

Mr. Harrison said the market for very cheap shoes was "unlikely to disappear." He reminded Mr. Meacher that employment in the industry in Britain had dropped by a third in recent years in spite of import controls.

British film loans dry up

By Arthur Sandles

THE NATIONAL FILM Finance Corporation, glowing ember of a once brave post-war effort to stimulate the British film industry, has been forced effectively to stop loans to film-makers until the spring, and may suspend "significant lending" for much longer.

Government spending policy has affected the way in which money is dispensed to the corporation, which in its annual report published yesterday says it "cannot commit to new films money it does not have in hand except to the extent that it can be assured that the necessary funds, if not self-generated, can be drawn down from the Government."

Loss

It was no use telling film-makers that loans were being made "subject to availability." The report indicates a loss of £493,789, the highest since 1970. Interest payments were £373,979.

In the year the corporation approved loans for five films: The Duellists; Jabberwocky; Tarka the Otter; The Disappearance; and Black Joy. A total of £588,000 was involved, directly or via the National Film Finance Consortium, which involved City interests.

● Some British film-makers may be leaving the country after getting financial help from the taxpayer. Most of the people whose work is financed by the corporation, through taxpayers' money, have left after making successful films because of taxes.

Heartening

Sir John Terry, managing director of the corporation, said: "It is heartening to see these film-makers succeed, but disheartening to see them succeeding somewhere else."

Their reasons were understandable, he said. They left to work where there was much more money to finance films, mainly America, and to escape swingeing taxes in Britain.

CBI warns companies about planning talks

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

PROBLEMS WHICH the Government is having in trying to persuade the CBI that voluntary company planning discussions should form part of the next stage of the industrial strategy were underlined yesterday.

Mr. John Methven, CBI director-general, said his organisation would "steadfastly oppose the imposition of either planning agreements or planning discussions on individual companies."

This statement came just six days before a meeting on the issue next Tuesday between Mr. Eric Varley, Industry Secretary, and Mr. Methven and other CBI leaders.

Mr. Methven's remarks reflect the strongly-held view among CBI members that the CBI should not appear to be doing a deal with the Government on anything that could smack of planning agreements, even if the Government threw in promises that it would not be legislating on the Bullock Report's worker-director proposals.

"There is no question of the CBI doing a deal with the Government on planning agreements as a trade-off for dropping the Bullock proposals on industrial democracy," Mr. Methven declared.

However, it is still precisely not clear what snags there will be at next week's meeting because the Government is only asking the CBI to encourage companies to enter voluntary planning discussions, not to accept imposed planning agreements.

The ground has been carefully laid for the talks at meetings involving top Department of Industry civil servants and CBI leaders, although Mr. Methven yesterday denied that these meetings had been formalised into a joint committee.

The Government's interest in the subject stems partly from concern that Left-wing Labour Party leaders, who are unhappy with progress on the Government's planning agreements policy, will try to insert a call for statutory planning agreements into the next Labour Party general election manifesto unless some progress on planning discussions can be shown to be taking place.

At the same time, the Government wants to extend the industrial strategy planning talks, which take place in sector working parties under the aegis of the National Economic Development Office, into individual companies.

This would involve issues stemming from perhaps one or more of the working parties affecting a company being discussed between the management and civil servants from the main relevant Whitehall Ministry, plus other interested Ministries on allied questions such as taxation, employment, or transport. There would be parallel employee participation discussions between the company and its workforce.

But while the CBI accepts the need for individual companies to be made aware of the sector working party reports, it has not yet accepted that it should encourage its members individually to start such talks with civil servants and employees on how the reports affect their own operations.

More than 100 companies are already holding these sort of talks in Whitehall but the CBI clearly fears that formalising this process within the industrial strategy could open the way for the Government to try to force companies into full planning agreements.

Extra cigarette tax closer

BY STUART ALEXANDER

SOME MIDDLE TAR cigarettes would be included in plans for an additional tax on higher tar brands being drawn up by officials at the Department of Health and Social Security.

A threshold of 20 mgs of tar is thought to be favoured. Middle tar goes up to 22 mgs.

At a meeting of EEC Health Ministers in Brussels on Tuesday, Mr. David Ennals, Secretary for Health, was given a sympathetic hearing for Britain's proposal for the new tax, which is seen as a method of dissuading people from smoking higher-tar cigarettes.

Most of the plain cigarettes now on sale in the U.K., plus some tipped varieties, would attract the additional tax.

The move coincides with publication to-day of a White Paper on preventive medicine which is expected to discuss higher taxation as a means of curbing smoking and alcoholism.

It is likely also to call for further restrictions on sports sponsorship by the tobacco industry. Mr. Denis Howell, Minister for Sport, has been negotiating a new voluntary code with the industry and is believed now to have received agreement from all parties concerned.

Announcement of the new code could be made either this afternoon or to-morrow, when Parliament rises for the Christmas recess.

● Imperial Tobacco announced details yesterday of its revised cigarettes and tobacco prices from January 1 which will add 8p per packet of 20 to its big-selling Players No. 10 filter and Embassy Gold.

Advice funds

THE GOVERNMENT [illegible] £1.4m. available to the [illegible] Association of Citizens' [illegible] Bureaux during the [illegible] financial year, Mr. John [illegible] Minister of State, Prices, [illegible] a Commons written reply [illegible] day.

● NEWS ANALYSIS—MINING PROSPECTS

Hemerdon Ball revival

BY PAUL CHEESERIGHT

HEMERDON BALL, 700 feet high, is a landmark in a country of rolling hills overlooking Plymouth — and it is also the site of possibly the most exciting British mining exploration venture of this decade. It might become the biggest domestic mining project of the century.

The attraction is an orebody containing tungsten, tin and china clay, which is now being systematically explored by the British subsidiary of Hemerdon Mining and Smelting, a Bermuda company, and Amax Exploration of the U.K., a subsidiary of the U.S. mining conglomerate, Amax. Their joint venture, Hemax, was formally announced yesterday in Plymouth.

Hemerdon Mining acquired the mineral rights from the Government, which lost interest in them after the Korean War. The Government had worked the orebody for the armaments industry in both world wars. remain, unshakeable in concrete. Indeed, the old buildings dilapidated in appearance but used by the Army to train troops for Northern Ireland.

No decision to mine the orebody is likely until mid-1980s at the earliest. At this stage there are too many unknown factors.

The first concerns the nature of the orebody itself. It has been proved to exist, running down the side of the hill, sheltered from Plymouth by the brow of the Ball, and is up to 500 feet wide and 2,000 feet long. There is mineralisation down to 100 feet but the exact geometry of the deposit has not yet been found out.

The indications are that the mineral grades are low, suggesting that if mining ever took place again it would be open pit and on a large scale.

Then there is the question of the metallurgy. Work on this will not start until next summer, but the main problem will be to separate the tungsten and tin from the china clay in economic quantities—a difficulty the Government failed to solve in its wartime work.

All of this presupposes that the Devon County Council would give permission for mining. Existing planning permission covers exploration only and lasts until March, 1979. It is doubtful whether any major development could take place without a public inquiry.

At present, local environmental groups, like the Devon branch of the Council for the Preservation of Rural England and the Dartmoor Preservation Association, are content to hold a watching brief on the exploration.

The current phase of activity started in late 1976 and was rapidly followed by changes in the Hemerdon Mining management, which saw an American, Mr. Carl Schwarzwalder, emerge with control in place of Mr. William Richardson, a Canadian pospector.

Mr. Richardson had periodically publicised Hemerdon in the mining industry and negotiated with a number of major houses during the late 1960s and early 1970s, but his methods of operation militated against the signing of joint venture agreements and access to adequate risk capital.

This year, Mr. Schwarzwalder has hunted for a joint venturer among mining houses who have had to weigh their interest in the orebody against memories of the past. But the emergence of Amax as a joint venturer links Hemerdon Mining with a significant force in the Western world tungsten industry.

Last year Amax's Climax molybdenum mine in Colorado produced, as a by-product, 30 per cent. of the U.S. tungsten output. The group has a 40-per-cent. stake in Canada Tungsten of the Yukon.

Birds Eye £5m. threat to strikers

By Lynton McLain, Industrial Staff

BIRDS EYE, the Unilever frozen food company, has threatened to stop a £5m. investment programme at its Kirkby, Lancashire, works in an attempt "to bring striking craftsmen to their senses."

More than 100 craftsmen have been on strike since November 9 as a result of a breakdown in annual wage negotiations, having previously taken sporadic industrial action over several months.

Approval of a £6.5m. investment programme at Kirkby was given by Unilever three years ago. To date only £1.5m. has been spent. "All further investment at the factory will be halted," the directors have told employees in a statement.

Undecided

No orders for buildings or new machinery have yet been placed. The Board says it has not yet decided what to do with the remaining £5m., has not even discussed it in any detail.

There is a possibility that the cash will now go to other Birds Eye plants at Eastbourne, Grimsby, Hull and Lowestoft, the Board adds.

At the Yarmouth factory engineers had stopped work in sympathy with the Kirkby employees, and investment at Yarmouth is now also under review.

Amoco gives up drilling off Dublin

AMOCO GROUP has plugged and abandoned its first well off the east coast of Ireland, having failed to encounter any commercial indications of oil or gas.

The exploration well 33/22-1 was drilled in the Kish Bank basin off Dublin.

Amoco said yesterday that the drilling discoveries would be integrated with seismic data in order to make further evaluations of the basin's hydrocarbon potential. That could lead to formulation of additional exploration plans.

Amoco is the operator for a group of companies in four blocks off the Dublin area, including Fina, British Petroleum, Aran Energy, Century Power and Light, Sceptre Oils, and Saga Ireland.

Next year Amoco intends to drill off the north-west coast of Ireland.

Value of imports drops to £8.16bn.

THE VALUE of imports has fallen sharply in the last three months—down 6½ per cent. to £8.16bn. Erratic elements, notably the purchase of North Sea rigs, were responsible for about two-fifths of the decline.

Total import volume was 3 per cent. lower and import prices declined by 1½ per cent., reflecting the recent strength of sterling and some easing of world commodity prices.

Overall, in the three months ended November, there was a visible trade surplus of £[illegible] compared with a deficit of £398m.

BALANCE OF TRADE

		Exports £m. seasonally adjusted	Imports £m. seasonally adjusted	Exports Volume seasonally adjusted 1970=100	Imports Volume seasonally adjusted 1970=100	Terms of trade *Unadjusted 1970=100
1976	1st	5,642	6,180	132.2	126.2	81.4
	2nd	6,242	7,149	137.8	134.7	80.0
	3rd	6,429	7,573	134.9	138.0	80.3
	4th	7,103	8,085	141.5	138.2	79.1
1977	1st	7,472	8,402	141.9	142.4	80.4
	2nd	8,071	8,769	149.9	144.4	80.1
	3rd	8,439	8,447	153.7	141.9	81.5
	June	2,787	3,085	153.2	151.2	80.2
	July	2,739	2,980	153.5	149.1	79.6
	August	2,801	2,661	152.0	131.7	82.0
	Sept.	2,899	2,848	155.7	144.8	83.0
	October	2,777	2,731	150.0	140.4	83.9
	Nov.	2,657	2,584	142.9	133.2	85.3

* The ratio of export prices to import prices

Source: Department of Trade

Wimbledon raises prize money

BY JOHN BARRETT

AN INCREASE of £61,483 in the prize money to be offered at Wimbledon next year, to keep pace with inflation and the general trend towards higher rewards, was announced yesterday by Sir Brian Burnett, chairman of the All-England club.

He also revealed that £1.5m. would be spent over the next two years on improvements to facilities that would benefit the players, debenture holders, spectators and the Press.

Of the total of £267,023 prize money for the five championship and two plate events, the women's share will again average 80 per cent. of the men's rewards, with a higher percentage for the quarter-finalists onwards, and a smaller one for the early round losers.

Thus the men's champion in 1978 will win £19,000 (against £15,000 this year) and the woman's champion will receive £17,100 (£13,500), while the first-round men's losers will each get £250 (£200) against £188 (£150) for the women who are unsuccessful in their first matches.

The total to be distributed in the men's singles will rise from £82,000 to £100,280, while the doubles prizes will increase from £23,400 to £28,080, with £7,500 (£6,000) going to the winning pair.

The comparable prize money figures for women are £73,500 (£60,180) for singles, and £21,980 (£18,600) for doubles, where the winning prize is £6,5000 (£5,200) for the successful pair.

There will also be an invitation veteran's event, for which a further £12,000 prize money is being provided.

Ticket prices

Only part of the increased prize money is to be met by higher ticket prices. A Centre Court seat next year will cost £5.30, a 10 per cent. rise over this year's price of £4.80, while a seat on No. 1 Court will cost £3 in 1978 against £2.70 this year.

The charge for admission to the ground will rise from £1 to £1.30.

Four new courts are being [illegible] on the north side of the [illegible] Court, to come into [illegible] about 1979.

By 1980 either Court No. [illegible] Court No. 5 will be [illegible] viewing area, for special [illegible]

Other improvements plan[illegible] a new lounge for [illegible] holders, also on the north [illegible] new offices for the Lawn-T[illegible] Association and more spa[illegible] the working Press; a [illegible] closure for county repre[illegible] tives; a players' rest room [illegible] a new studio and control [illegible] for BBC-TV.

In 1979 it is planned to raise [illegible] roof of the Centre Court [illegible] north and west sides to ac[illegible] modate about [illegible] spectators.

Poor outlook for Concorde in Malaysia

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT, IN SINGAPORE

HOPES OF avoiding a disruption in Concorde supersonic services between London and Singapore appear to be fading because of Malaysian delays in starting talks on the future of those services.

Contacts between the British negotiating team and Malaysian Government officials have been limited to diplomatic channels, and so far there has been no opportunity for the British Concorde team to put its case directly to the Malaysian Communications Minister, who originally banned Concorde from flying through Malaysian air space to and from Singapore.

But with the limit of three Concorde flights each way across Indonesian air space about to expire—to-day's Concorde flight to London will be the last—aviation officials here say that unless Malaysia changes her mind quickly it is difficult to see how any negotiations can be concluded in time to allow to-morrow's Concorde departure from London.

Everyone hopes for a miracle, but few really believe that it will happen.

An alternative possibility is for Britain to persuade Indonesia to grant a brief extension of Concorde overflying rights. It is understood that British Airways and the British Embassy in Jakarta have been quietly trying to do this.

Indonesia is believed to be reluctant to agree for fear of offending Malaysia. Most people in aviation quarters here think such permission unlikely and that the real task must be to get Malaysia to change her mind.

This is what the British Airways team hoped to achieve yesterday but they could not get to the Minister because of the all-day regular Malaysian Cabinet meeting.

The team, including Mr. Owen Kemiss from the Department of Trade and Mr. Gordon Davidson, British Airways Concorde director, remain convinced that they can persuade the Malaysians to allow Concorde through once they can get negotiations moving.

They believe they can offer Malaysia alternative tracks that will keep Concorde well away from the coast and reduce noise and any other pollution fears. But so far the Malaysians do not appear interested and time is running out.

Malaysian hostility to Concorde cannot be attributed solely to environmental fears. Aviation observers here believe other causes underlie the problem, but so far the British negotiators have been unable to find out what they are. One may be dissatisfaction with Malaysian air traffic rights to London.

Businessmen 'subsidise other air travellers'

By Arthur Sandles

BRITAIN'S Air User's Committee has lambasted airlines for forcing full fare-paying business travellers to subsidise "both first class passengers and at least some holiday passengers." In its annual report the committee, funded by the State-backed Civil Aviation Authority, says airlines persist in charging what the traffic will bear on some routes and do not relate fares to costs.

The committee is scathing about fare structures. "We consider that the airlines should find some method of letting the public know what fares are available under what conditions. To do this would be easier if there were less differing fares, but it is the very complexity of the fares jungle which makes it important that the public should be properly informed."

In the course of talks during the year airlines have rejected suggestions that fares should be cost related rather than charged on the basis of what the passengers are prepared to pay. The committee says the urging of more reasonable fares is particularly pertinent to Scandinavian routes, about which there have been numerous complaints.

Large profits

"Our analysis suggests that these routes generate very large profits in spite of the higher cost levels in those countries."

The report also criticises airlines for the lack of publicity given to the compensation scheme for overbooked passengers. "We consider that customers are entitled to know conditions when tickets are bought. In addition compensation only applies to one half of the ticket, the outward half, something the traveller does not expect."

Sir Archibald Hope, chairman of the committee, said yesterday that one of the problems for the committee was the lack of information on airline profits and punctuality.

The committee makes one ominous comment: "We were amazed at the number of complaints still being received about loss of valuables packed in Hold Baggage." It drew attention to previous suggestions that valuables should be carried in hand baggage instead of being given into the safe-keeping of the airline.

Crown Agents win property loan appeal

AN ALLEGATION that the Crown Agents agreed to postpone indefinitely repayment of a £2.4m. loan to a property company was rejected by the Court of Appeal yesterday.

The court had been told that after the loan to Murrayfields Securities had been agreed in December, 1973, the company discovered that it was between £700,000 and £800,000 more than was needed.

The Crown Agents refused to accept immediate repayment of the excess but it was alleged, agreed verbally not to enforce covenants for the repayment of the principal or interest on the loan before the mortgaged properties had been sold.

It was also alleged that the Crown Agents had agreed that Murrayfields should pay only as much interest as it could afford, and that, in return, it would pay an additional 10 per cent. of the net proceeds of sale after repayment of the loan and interest.

The existence of the oral agreement was alleged by Mr. Philip Frederick and Mr. Hyman Solomons, of Roebuck House, Palace Street, Westminster, and 53-67 Baker Street (Investments) Ltd., of Holborn Viaduct, London, who were sureties for the loan.

In the High Court last May, the Vice-Chancellor, Sir Robert Megarry, gave judgment against the sureties.

The Appeal Court dismissed an appeal by Mr. Frederick and Mr. Solomons, but allowed an appeal by 53-67 Baker Street (Investments).

The effect of the Appeal Court's ruling is that Mr. Frederick and Mr. Solomons are liable for the full amount of the loan which, with interest, now amounts to more than £3.57m.

"I cannot find in the parts of the report to which we have been referred any transaction so similar to the alleged transaction in the present case as to afford any evidence of any value in support of the sureties' case," said Lord Justice Buckley.

Indeed, he added, the sureties' new evidence made their position worse, because it still left so much unexplained that was odd about their conduct if their story of the alleged oral agreement was correct.

Lord Justice Bridge and Sir David Cairns agreed that Mr. Frederick's and Mr. Solomons' appeal be dismissed and that of the surety company allowed. Mr. Frederick and Mr. Solomons were ordered to pay two-thirds of the cost of the appeal.

North-West chief named for NEB

Financial Times Reporter

MR. BOB DICKINSON, former managing director of SFK (U.K.) has been appointed chairman of the new North-West Regional Board of the National Enterprise Board. But he will serve only until the deputy chairman of the NEB is named.

Mr. Leslie Murphy, chairman of the NEB, said in Liverpool yesterday he expected to be able to announce the name of his deputy early in the New Year. Mr. Dickinson's appointment has been made so that the Regional Board can start work immediately.

Other members of the Board were named yesterday.

The Regional Board, based at the NEB's Liverpool office, has been authorised to approve investments of up to £500,000 in each case and will make recommendations to the NEB on investments exceeding that figure. No ceiling has been set on total funds available.

Steelmakers worried by prospects of 7% fall

BY ROY HODSON

A FALL OF up to 7 per cent. in crude steel production is feared this year when final figures for both the private and public sectors of the British steel industry can be compared with those for 1976.

The British Independent Steel Producers' Association, in its annual report published yesterday, forecast that overall production for the year would total about 21m. tonnes—between 6-7 per cent. below the 1976 level.

British Steel is suffering now more than the independent producers from the effects of imports, poor export markets, and reduction of steel stocks. British Steel has seen its production slump by more than 1m. tonnes during the year compared with 1976. The private companies expect to make 3.2m. tonnes during the year — the same tonnage as in 1976.

By the end of the year the private British steelmaking companies will have improved their share of total British steel making production to 15 per cent.

When the major part of the steel industry was nationalised ten years ago it was reckoned that about 20 per cent. of capacity was being left in the private sector. The independent producers' share has risen slowly but steadily since to the new record level of 15 per cent.

The British independent steelmakers are backing European moves, led by M. Etienne Davignon, the EEC Industry Commissioner, to underpin steel prices and act against low-priced imports from non-EEC nations.

Dr. D. Hardwick, the steel association's president, said yesterday at its annual meeting that some artificiality of market structure was probably inevitable

Double tax conventions amended

DISCUSSIONS in Helsinki earlier this month reached agreement on the text of a proposed protocol to amend the Double Taxation Convention between the U.K. and Finland. The text will be submitted to both governments for approval, the Inland Revenue announced yesterday.

A Double Taxation Convention between the U.K. and Switzerland was signed in London on December 8, the Inland Revenue said. It replaces the 1954 Convention, as amended by protocols in 1966 and 1974.

Good prospects for motorcycle industry sales

THE OUTLOOK for sales of British motorcycles is encouraging overall despite an estimated 6 per cent. fall this year, the Motorcycle Association of Great Britain said yesterday.

Mr. Bob Liddell, the association's director, said: "We are full of confidence, and with various developments in hand, the next 12 months should see another record in sales."

His annual report for 1976 showed that for the third year in succession, sales of two-wheelers had reached the second best figure in the industry's history. The total told was 275,261, against 270,085 in 1975.

So far this year, motorcycle sales were 247,707, against a corresponding 1976 figure of 264,041.

Business law reform proposals

BY A. H. HERMANN, LEGAL CORRESPONDENT

CONSOLIDATION of laws to make the rights and duties of individuals and enterprises clearer and easier to establish could be speeded up if Ministers introduced the Bills proposed by the Law Commission and if Parliament was prepared to treat them as non-controversial, according to the Law Commission's annual report for 1976-77.

The commission, which was created in 1965 to promote law reform, also complains about the very poor drafting of EEC secondary legislation which is automatically becoming part of U.K. law.

In addition to the new duties resulting from U.K.'s accession to the EEC the commission's work load was also increased by the wave of consumer legislation and by the boom in law reform in Commonwealth countries.

During 1976-77, it added six final reports on law reform and two working papers published for consultations to the 79 reports and 70 working papers completed in the preceding 11 years.

In the past year alone, six Acts of Parliament were based, wholly or in part, on proposals originating in the reports from the Law Commission. These included the Criminal Law Act 1977, the Unfair Contract Terms Act 1977, and the Rent Charges Act 1977.

The Law Commission also reports progress on a number of plans for the reform of business law. It has now completed its analysis of comments received in connection with its examination of the law of contract, particularly with reference to firm offers, breaches of contract and penalty clauses. It is working on landlord and tenant code, investigating rules concerning the termination of tenancies and the exclusion of assignments and sub-letting.

But the demands of all this and of work on matrimonial property law, have resulted in no progress being made on the planned report on covenants affecting freehold land.

The commission is at present reviewing its series of working papers on land registration.

BANK OF ENGLAND BULLETIN ● REPORTS BY MICHAEL BLANDEN AND PETER RIDDELL

Chance of more sustained expansion and no further rise in jobless

THE ECONOMY should grow fast enough in the next 12 months to prevent a further rise in unemployment, while the current-account surplus should rise to £2½bn. next year, says the Bulletin.

The prospects are set out in the economic commentary and assessment of the latest Bank of England Quarterly Bulletin, published this morning.

The bank states that the economy may now be entering a more hopeful phase of development. "With a stronger balance of payments it would be reasonable to hope for a more sustained expansion than has been possible recently.

"There will, however, clearly continue to be limits to what can be achieved."

Consumer spending is expected to show "appreciable growth," and in the year to the second half of 1978 final sales migt increase by almost 5 per cent., in contrast to the negligible expansion of the past 12 months.

Less growth

But the volume of imports is likely to rise considerably faster than the 2 to 3 per cent. rise of the past year.

The Bulletin therefore suggests that the growth of Gross Domestic Product during the next 12 months might be of the order of 3 per cent. That is slightly lower than the 3½ per cent. increase projected by the Treasury for the same period.

The Bank comments that the course of unemployment has recently been difficult to interpret, and it is possible that the very high level of unemployment in recent years has weakened the effectiveness of the seasonal adjustments.

It suggests that an economic growth rate of the size it projects would probably be within the range needed to prevent unemployment, which has now been rising fairly continuously for four years, from rising further.

The Bulletin also discusses the improvement in the current account of the balance of payments and forecasts a rise in the surplus from £¾bn. in 1977 to £2½bn. in 1978. This compares with the Treasury's estimate of a £1.5bn. surplus next year. The difference presumably reflects the Bank's slightly lower growth forecast.

The Bank argues that after large current deficits for four years it seems clearly desirable for the current account now to stay in surplus, and it refers to the fact that maturing official external debt totals $16bn. between 1978 and 1982.

"Although the repayment burdens might be eased by some new borrowing, it will clearly be necessary to provide for a net reduction of debt on a scale thas is appreciable in relation to maturing repayment obligations.

"More generally, it is widely accepted that the benefit of North Sea oil should be used as far as possible for investment purposes so as to strengthen the economy. There is room both for more domestic investment and for acquiring assets abroad or repaying overseas debt."

The Bank disagrees with those who argue that the composition of the balance of payments—whether or not there is a current surplus—is not a matter with which policy should be concerned on the grounds that with a free-floating exchange rate the account must balance. Such an approach, it maintains, takes little account of credit-worthiness and variations in short-term flows.

The bulletin notes that "it has been the relative weakness of the U.K.'s current account position in the post-war period that has underlain the chronic exposure of the U.K.'s external financial position and the past instability of sterling.

"A current-account surplus having now been achieved, it would surely be imprudent to re-create those conditions by not maintaining a position of surplus."

The Bank points out that the improvement in the balance of payments this year, though partly due to North Sea oil, owes even more to other developments—in part lower import prices and in part the better competitive position.

The terms of trade rose by more than 2½ per cent. between the second half of 1976 and the third quarter of this year, although there was little change in the effective exchange rate.

Much of the increase occurred in manufactures, particularly finished manufactures, where export unit values rose nearly 9 per cent. faster than import unit values.

Faster

In 1978, with faster growth of the economy, any improvement in the non-oil balance will probably be much less marked, and may arise only from the terms of trade. The non-oil balance might easily be weakened.

"Looking further ahead, the net assistance to the current account from North Sea oil will probably not continue to rise so rapidly. The trend towards lower imports of oil and higher exports will continue, so that the balance of trade in oil should continue to strengthen—though, over time, by smaller amounts.

"But the oil companies' profits due abroad will begin to rise to substantial levels. In total, the current oil balance is likely to strengthen next year and again in 1979. But after that the contribution of North Sea oil to the current balance of payments, substantial as it will be, may rise only slowly."

In the commentary, the Bank notes that since the second half of 1975 the proportion of the rise in prices which has been represented by labour costs has been smaller than their share of total costs.

On investment, the Bulletin suggests that after the prolonged stagnation of the domestic economy, many companies may be reluctant to undertake substantial new capital expenditure without first seeing clear signs of a sustained upturn in activity.

Company profits, the Bank says, should continue to recover until at least the early part of 1978, with industrial costs rising relatively slowly and demand reviving. But the company sector is likely to remain in financial deficit next year, despite relatively subdued growth in capital spending.

Profits from North Sea oil accounted for 15 per cent. of the total by the first half of this year and were responsible for a substantial part of the 30 per cent. increase between the first halves of 1976 and 1977 in the trading profits (net of stock appreciation) of industrial and commercial companies.

Bank of England Quarterly Bulletin: Volume 17, No. 4; December 1977. Available from Economic Intelligence Department, Bank of England, London EC2R 8AH. International company news, Page 30.

Surplus on invisibles likely to fall despite service earnings

A DECLINE in the net surplus on invisibles is likely to occur during the next few years, according to an article in the Bulletin.

The relative importance and structure of invisibles is discussed together with the prospects, particularly in the light of North Sea oil factors.

Although the level of invisibles is very difficult to predict, there will be a rising outflow on account of North Sea activities as increasing profits are earned by foreign oil companies.

"Some of these profits will no doubt be retained for reinvestment but they will be recorded in the accounts as debits. The public sector invisibles account will benefit from the interest earned on any increase in the official reserves resulting from the North Sea programme, and from any interest saved because of reductions in overseas indebtedness, but to a much smaller extent."

The Bank notes: "Although the North Sea programme is the major foreseeable influence on invisible earnings for the next few years, it may to some extent be counter-balanced by improvements elsewhere in the account.

"In particular, earnings from services may continue to increase faster than payments. Such increases will, however, have to be very large if the net surplus on invisibles is not to decline."

The U.K.'s proportion of invisible receipts in total current-account credits—about 35 per cent.—is slightly higher than in the U.S. and much higher than in other major countries. In value terms, the U.K. now has the largest net invisible surplus after the U.S.

However, invisible receipts have fallen as a percentage of all current-account credits since 1973, and invisible payments have grown more slowly than the imports of goods.

Before 1973 (and particularly between 1969 and 1973) invisible receipts grew faster than those from exports of goods (increasing 4.7 times from 1955, compared with 3.9). Since 1973 the pattern has changed: invisible receipts have risen by 69 per cent., while exports of goods have more than doubled.

On the other hand, imports of goods and invisible payments grew at roughly the same rate (up 4.3 times) between 1955 and 1973. Since then invisible payments have increased by 71 per cent., while imports, partly because of the rise in oil prices, have almost exactly doubled.

Service credits have grown rapidly since the late 1960s. In real terms, at constant 1970 prices, the most important acceleration has occurred in travel.

There has been a sharp fall in the rate of expansion of financial services, notably insurance, where the fall in sterling has eroded the capital base of insurance underwriters.

In value terms, the sharp increase in interest paid on U.K. official borrowing to finance balance-of-payments deficits explains why there has been no growth in net credits for interest, profit and dividends since 1973.

Overall there was little change in total invisible earnings during the late 1950s and early 1960s. Thereafter, the rapid increase in service credits caused the surplus to increase sharply.

United Kingdom current account showing the relative importance of invisibles

£ millions	Goods exports	Invisible* receipts		Goods imports	Invisible* payments		Current balance
1955	3,073	1,748	36.6	3,386	1,590	32.0	− 155
1960	3,737	2,190	36.9	4,138	2,034	33.0	− 245
1964	4,568	2,645	36.7	5,068	2,501	33.0	− 356
1969	7,269	4,295	37.1	7,425	3,699	33.3	− 440
1973	12,115	8,265	40.6	14,468	6,834	32.1	− 922
1974	16,538	9,990	37.7	21,732	8,361	27.8	−3,565
1975	19,461	11,044	36.2	22,664	9,542	29.6	−1,701
1976	25,416	13,972	35.5	28,987	11,672	28.7	−1,271

* The figures in roman represent the percentage share of invisibles in current account receipts and payments.

Debt rises £10.5bn. in a year

THE NATIONAL DEBT increased by £10.5bn. over the 12-month period to last March to reach a total in nominal terms of £86bn., the Bulletin reports.

The bulk of the rise was accounted for by market holdings, which increased by £9.7bn., while official holdings were up by only £0.8bn. Total market holdings rose from £43.9bn. to £53.6bn.

About a quarter of the increase in the debt outside official hands was in two elements directly related to external borrowing to augment the official reserves.

First, the sterling equivalent of dent payable in foreign currencies rose by £921m., and by end-March accounted for 8.2 per cent. of the total debt in market hands, compared with 7.9 per cent a year earlier.

Of this increase, £581m. represents drawings on the Government's $1.5bn. foreign currency loan negotiated in January.

The second element is the drawings on the International Monetary Fund, and the proportion of the debt in this form rose from 4.7 per cent. to 6.4 per cent.

Outstanding foreign currency borrowing by public sector bodies other than the central Government amounted to $10.7bn. at the end of March, of which $9.6bn. was under the exchange cover scheme.

As to the rest of the national debt, the largest increase was in gilt-edged stocks. The proportion of the market-held debt in this form rose from 56.5 per cent. to 68.7 per cent. Fourteen stocks, including new tranches of existing stocks, were issued during the year, with a total nominal value of £9.7bn.

Official and market holdings of national debt

£ millions, nominal	End-March 1976	Percentage of market holding	End-March 1977	Percentage of market holding
Official holdings	13,634		14,418	
Market holdings				
Sterling marketable debt:				
Government and government-guaranteed stocks	29,148	66.5	36,813	68.7
Treasury bills	4,828	11.0	3,637	6.8
Sterling non-marketable debt:				
National savings securities	4,334	9.9	5,285	9.9
Interest-free notes due to the IMF and IDA	2,059	4.7	3,429	6.4
Other	38	0.1	22	—
Total	40,407		49,186	
Foreign currency debt:				
HMT Euro-currency loans	1,305		2,034	
North American government loans	2,072		2,265	
Anglo-German Offset Agreement	65		73	
Export-Import Bank of Washington	9		—	
Total	3,451	7.9	4,372	8.2
Total market holdings	43,858	100.0	53,558	100.0
Total	57,492		67,976	
of which, nationalised industries' stocks guaranteed by the Government	906		808	

Flow of oil surplus funds into U.K. banks shows marked slow-down

THE INFLOW of oil surplus funds into the U.K. slowed in the third quarter. Latest estimates by the Bank show that the total oil revenues of the oil-exporting countries were virtually unchanged, while a further rise in their imports of goods and services brought another reduction in their current surplus and in funds available for investment.

The total surpluses dropped to $8bn. in the third quarter, against $9.7bn. in the second. Total sterling holdings were almost unchanged, and the rise in foreign currency deposits with U.K. banks, which had been running at $12bn. on average in the previous five quarters, slowed to $0.5bn.

A slightly higher proportion than usual, about 35 per cent., was invested in the U.S.

It appears that deposits with banks in other countries again rose strongly, but special bilateral facilities and other investments were considerably lower

Pace of advance depends on cutting inflation

FIRM CONTROL will have to be exercised over the rate of growth of the money stock in order to help bring inflation under control, emphasises the Bulletin.

At present, the Bank says, the decision at the end of October to allow the exchange rate to float more freely "should largely have removed the risk of further exchange inflows exerting a marked expansionary effect on the growth of sterling M3."

Inflation remains the U.K.'s major problem, and perpetuates the risk of economic and social instability. This makes it the more important that money does not itself became a source of instability.

"Perseverance with appropriate monetary restraint," the Bank comments, "should over time sustain an increasing moderation in the pace of inflation."

The economic assessment stresses the need for fiscal and monetary policy to be decided as part of a single policy.

In formulating new monetary targets for next year, the posture of monetary policy, while accommodating a moderate rate of economic expansion, must clearly be such as to take full account of the need for inflation to be reduced.

If the opportunities provided by North Sea oil are properly used, the Bank says, significant growth could well continue for years. This would represent a radical change from the lack of growth in the last four years.

Progress in these directions, however, will not be sustainable unless the pace is cautious. Over-rapid acceleration in the growth rate would be imprudent after a period of stagnation, and the pace of advance is likely to depend on continuing success in reducing the rate of inflation.

If wages rise more rapidly than now expected, the Bank argues, this could rule out the possibility of expansionary measures that might otherwise have appeared prudent.

On balance of payments grounds, too, "the need to make best use of the resources of North Sea oil dictates that the benefits should not be expended on financing an undue growth of imports for consumption, such as would be entailed by over-rapid expansion of the economy."

An important consideration, the Bank says, is that beyond a point it would be difficult to finance the increased Government borrowing requirement resulting from a more expansionary fiscal policy without either leading to excessive growth of the money stock or to a rise in interest rates.

Sketching the background to the decision to allow the pound to float upwards, the bulletin points to the sharp acceleration in the growth of the money supply on the wider definition (sterling M3) in the October banking month. This was not associated with an acceleration of domestic credit expansion, the main measure watched by the International Monetary Fund.

In the three months to mid-October, the expansion was only £360m., and over the first half of the financial year it totalled only £1.17bn., well under the rate of growth implied by the £7.7bn. ceiling for the full year.

One factor behind the small expansion was a modest central government borrowing requirement of only £560m. in the three months to mid-October. That was more than covered by net sales of central government debt to other U.K. residents of £2.43bn.

Roughly 85 per cent. of these sales were of gilt-edged stocks, but there were also significant inflows, totalling some £600m. in the three months to mid-October, into certificates of tax deposit.

The boost to money stock was given by the exchange inflows. External and foreign currency finance totalling £1.4bn., the bank points out, was the counterpart of over 80 per cent. of the rise in sterling M3 in the three months to October.

That figure, however, was only about half the total increase in the gold and foreign exchange reserves over the same period, illustrating the bank's point that there is not a direct one-to-one relationship between inflows and money supply growth.

About half the inflows were in forms which do not directly contribute to a rise in sterling M3—such as overseas purchases of public sector securities.

Of the remaining £1.4bn., the current-account surplus will have accounted for between a third and a half.

DCE and the money stock

Most of the increase in sterling M₁ in the three months to mid-October was the counterpart of external inflows.

£ millions: seasonally adjusted.

Mid-month	July-Oct. 76	Oct. 76-Jan. 77	Jan.-Apr. 77	Apr.-July 77	July-Oct. 77
Central government borrowing requirement	+1,830	+1,170	+1,350	+1,070	+ 560
Net purchases (—) of central government debt by non-bank private sector	−1,130	−2,870	−1,100	−1,620	−2,430
Other public sector*	+ 420	+ 630	− 160	+ 160	+ 750
Bank lending in sterling to:					
U.K. private sector†	+1,260	+1,000	− 120	+1,050	+1,260
Overseas	− 100	− 190	− 40	− 150	+ 220
Domestic credit expansion	+2,480	− 260	− 70	− 810	+ 360
External and foreign currency finance (increase —)	− 770	− 260	− 680	− 870	−1,400
Other	− 120	− 240	− 80	− 620	− 60
Sterling M₁	+1,590	− 240	− 530	−1,060	−1,700
Percentage change in sterling M₁	− 4.1	− 0.6	− 1.3	− 2.7	− 4.1
M₁	− 240	− 240	+ 770	+ 840	+1,580
Percentage change in M₁	− 1.3	− 1.3	− 4.2	− 4.4	− 7.9

* Other public sector borrowing requirement, less purchases of other public sector debt by the private sector (other than banks).

† Including commercial bills held by the Issue Department of the Bank of England.

THE JOBS COLUMN

Challenge to industry · Finance head

BY MICHAEL DIXON

BRITISH industry is confronted this morning by a most unusual challenge. Does it contain a manager or trades unionist willing and able to succeed Sir Ronald McIntosh as director-general of the National Economic Development Office in London at a salary of £18,675?

The arrival of this job on the open market to-day is unusual in itself. The previous director-generals have "emerged" from quiet consultations among the three major interests on NEDO's governing council—the Government, the Trades Union Congress, and the Confederation of British Industry.

Until last month the next chief was also expected to emerge in the person of Mr. Bob Goldsmith, who would have been the third successive director-general to have come from the Civil Service. But then the TUC insisted that, this time, it wanted someone from industry. And the Prime Minister agreed.

In and around Whitehall, however, there are whispers that perhaps a high-level academic with previous senior experience in industry and commerce might have to do instead. This is because, given the "frozen" salary, there are doubts that the opening will attract industrialists who evidently match the job description which, stated informally, boils down to just two words: "a paragon."

Since that doesn't give Jobs Column readers much to go on, I rang up Sir Ronald and asked what he thought were the most important qualifications for the work.

First, he said, was the ability to provide effective leadership of NEDO's network of about 50 committees covering large and small sectors of industry, and made up of representatives of Government, management and unions, working on industrial strategy. (And while Sir Ronald did not say so, I gather that a minority of these committees are considered in need of a shake up.) Because this leadership must be provided publicly as well as privately, well developed speaking and public relations skills are at a premium.

Second was "considerable political nous" for, at the same time as leading the committees and NEDO's 240 staff, the chief has to gain and keep the trust of the three major "shareholders" who have been known to disagree occasionally, perhaps about the right sort of background for a new director-general. Moreover, there will almost certainly be a general election during the newcomer's period of office.

"Whoever comes will have to know a lot of people in highish places," Sir Ronald added, "and have a lot of stamina because it's a fairly exacting job."

Age seems somewhat contentious. The tribunal which will draw up the short list—Sir Douglas Wass, permanent secretary of the Treasury; Mr. John Methven of the CBI; and Mr. Len Murray of the TUC—would like candidates to be under 50. But Sir Ronald, who will leave on December 31, thinks "this is a post in which the advantages of youth might prove to be over-valued," and he is not alone in this view.

Other abilities desired, by the way, are an understanding of national economic issues—though NEDO is currently far more concerned with micro- than with macro-economics, and an appreciation of the office's performance so far.

In immediate support, the newcomer will have directors of four divisions: Economics; Industrial; Manpower and Industrial Relations; and Administrative. The present industrial division director, 41-year-old Mr. Bernard Asher, is to be acting chief until the new DG arrives, but he is not a candidate, because he wants to end his secondment to NEDO and return to the ITT group in the middle of next year.

One of the perks which particularly pleases Sir Ronald is what must surely be one of the best views in London, looking eastward over the Thames towards Parliament from 15 floors up in the Millbank Tower. But the director-general cannot rely on Big Ben for the time except between 6.30 and 12.00, because Parliament's Victoria Tower gets in the way of the right hand side of the clock face.

Applications to Sir Douglas Wass at HM Treasury, Parliament Street, London S.W.1.

Complexity

THE FIRST time I heard the name Terence Flitcroft was in 1950. It belonged to one of my fellow Kemsley travelling scholarship winners from Stockport visiting the Netherlands, where the said Flitcroft walked off with the most attractive girl in he group, Joan Rowlands who has since become Joan Bakewell.

The second time I heard it was yesterday, when Dr. Terence Flitcroft, group managing director of the Unicorn Industries abrasives concern, telephoned me about his need for a new group finance director. He was, of course, the same man.

He didn't have time to tell me how he got from Stockport to Unicorn's headquarters in Windsor, but he laid plenty of emphasis on the complexity of the job on offer. As well as dealing with the City on behalf of the group—whose pre-tax profit has risen from about £2m. four years ago to an expected £6m. to £7m. this year—the newcomer will head financial and management accounting not only centrally at Windsor, but in five separate divisions operating in 19 countries.

So there will be a good deal of travel for the recruit, and not only to Stafford, Basingstoke, Manchester and Tottenham wher ethe group has its main U.K. operations. Indeed part of the salary—not quoted but I would estimate around £16,000—will be earned overseas.

"I'd put the age at about 35 to 40, or perhaps younger, and I think we'll have to specify a qualified accountant don't you?" said my rediscovered friend (I wasn't all that jealous, really).

He is also very keen for candidates to have experience of dealing in financial quarters and of managing in accounting operations embracing the U.K. and countries abroad. "And considerable energy— will be needed," I was told.

The perks will include a car, and a bonus based on increases in earnings per share. Written applications giving career details, should be sent to Dr. Flitcroft at Unicorn Industries, Castle Hill, Windsor, Berkshire, SL4 1LY. (I hope that I'll chance across him again before the next 27½ years are over.)

The Jobs Column is now going on holiday until January 5

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We are seeking a banker to join our Corporate Banking Group, based in Birmingham. From this location, the successful man or woman will be responsible for marketing a wide range of financial facilities and services to a designated group of industrial organisations in the Midlands and North of England.

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We are arranging interviews in Birmingham and/or London. Please write in the first instance giving full details of your career to date and present salary to: Tony Smith, Head of Personnel Services, Chemical Bank, Chemical Bank House, 180 Strand, London WC2R 1ET. (Ref: DAM)

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Unicorn Industries is a world leader in the technology of hard materials and abrasives. This strongly de-centralised Group which is co-ordinated from a small Head Office in Windsor has plants in some nineteen countries, and is looking for a Group Finance Director.

This is due to the resignation of the present job holder, Peter Welch who, we regret to say, is leaving to take up a similar role in a much larger company

The successful candidate will need to have a broad mind which is capable of assimilating a considerable amount of information and reacting, where necessary, on both the 'broad brush' and the detailed level, in addition to the usual appropriate accountancy qualifications and financial experience. The role will involve control of a sophisticated central finance team and highly competent divisional finance teams.

The appointee will need to have the stature, knowledge, drive, perception and high integrity necessary to help us achieve our next phase of forward development – which could take us from £70 million plus turnover per annum to £200 million within five years if we continue at the growth rate we have achieved since 1972.

This is a Main Board appointment of considerable consequence in a rapidly growing Public Company that has wide and complex international ramifications. The salary will be up to the requirements of the job, but will obviously depend upon the abilities of the individual.

Please reply in writing to:- **Dr. Terence Flitcroft**
Group Chief Executive

Unicorn Industries Limited

Castle Hill House, Castle Hill, WINDSOR, Berkshire SL4 1LY

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Applications, which will be treated as strictly confidential, should be accompanied by a recent photograph and provide full details of career to date. Those which do not comply with this request will not be considered. Please indicate any companies to which the advertising agency should not forward your application.

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In your mid-thirties to mid-forties you will be a Chartered Accountant or have another relevant qualification; and you will have had several years' recent experience with industry, a professional office or the Inland Revenue, advising on personal tax matters, preferably involving changes of residence and employee benefits. A thorough working knowledge of current law and practice relating to personal taxation in the U.K. is essential, together with the ability to interpret and apply new legislation. You must also be able to communicate your advice in terms intelligible to people not connected with financial affairs and to secure their co-operation in carrying out the appropriate course of action. In addition to the salary indicated (which could be higher if justified by your experience and background) fringe benefits are attractive. Where appropriate, assistance will be provided with relocation expenses. Please write giving full details of your qualifications and experience to:

Shell International Petroleum Company Limited, Recruitment Division (FT) PNEL/21, Shell Centre, London SE1 7NA.

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Starting salary will be negotiable in the region of £12,500 per annum with car and other benefits provided. The location will be at the Group's new International Headquarters in Peterborough and normal removal assistance will be given.

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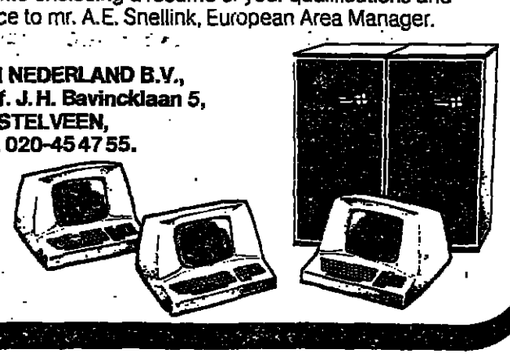

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Please apply initially with brief details of qualifications and career to:

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APPOINTMENTS ARE CONTINUED TODAY ON PAGE 28

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The post provides an opportunity for full involvement in the national debate on economic issues, and applicants must be capable of dealing with such issues in public speeches, at conferences, and in briefing the media.

Applicants should have extensive experience of commerce and industry, whether in the public or private sectors, and either in management or in trade union activities.

The appointment is pensionable and will be for a period to be agreed, with a possibility of re-appointment. *The salary is equivalent to that of a Permanent Secretary in the Civil Service.*

Applicants should write in confidence to the Permanent Secretary, HM Treasury, Parliament Street, London SW1, giving details of experience and qualifications.

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Car and other benefits are provided as well as relocation assistance to headquarters in northern England.

Please write in strict confidence to H. C. Holmes, Bull. Holmes (Management) Limited, 45 Albemarle Street, London W1X 3FE.

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finance analysts

They will be responsible for coordination for specified subsidiaries of annual budget, profitability forecasts, projects and transfer pricing. The applicants must have a business degree and finance qualifications. Age between 25 and 28. Very good knowledge of English.

assistant to European controller

The incumbent will primarily assist the Controller in the preparation of consolidated reports for Europe. He will participate in the implementation of a software package, based on a general ledgers system.
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assistant system development analyst

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Individuals looking for real career opportunities including attractive salary and benefits should send their curriculum vitae with a recent photograph in a confidential envelope to: Ph. Manfroid, Personnel Department.

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We wish to appoint an international banker to head the Middle East/Africa Area team in our Euro-currency Department. You will need to have had several years' experience in top level Euro-currency negotiations with governments and major international corporations.

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The appointment, although based in London, will entail extensive travel. The salary is attractive and fringe benefits include company car and house mortgage assistance.

Applications will be treated in strict confidence and should be sent with full career details to:

Grindlay Brandts

Mr. T. C. H. Macafee, Manager, Recruitment, 36 Fenchurch Street, London EC3P 3AS.

Merchant Banking

Birmingham A.I.B and A.C.A

County Bank is the merchant bank of the National Westminster Bank Group with branches in Edinburgh, Leeds and Manchester. We are continuing to expand and will be opening a new Midlands office in Birmingham in March 1978.

The Midlands office will provide merchant banking services for both new and existing clients in the East and West Midlands and to assist the Management Team we wish to recruit 2 executives, male or female.

CHARTERED ACCOUNTANT

Ideally you will be around 27 with one or two years post qualification experience and with an interest and experience in investigation work as well as auditing.

A.I.B.

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County Bank
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An Analyst is required to join our expanding Research Department based in Glasgow. The successful applicant will require to produce evidence of a thorough analytical training supported by an ability to produce and market high quality work for institutional consumption. A record featuring specialisation in brewing, engineering or paper and packaging would be ideal although applicants with experience of other sectors, or a sound basic training, will also be considered. A professional or academic qualification is preferred but is not essential. Terms will be competitive in line with age and experience and all applications will be treated in strictest confidence.

Initially, please write to or telephone the following, giving a brief outline of past career:—

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The bank is looking for someone not less than 28 years old, with at least five years banking experience. Knowledge of Africa would be an advantage.

The bank offers a high salary and other benefits. Their precise level will depend on your experience.

As Area Manager you will have an excellent opportunity of promoting your career within the bank, and also in the group.

Please write in confidence, describing qualifications, experience and personal details to: Ivan Cann Esq., Dept. FTD, Foster Turner & Benson Limited, Chancery House, Chancery Lane, London WC2A 1QU.

List separately any company to whom we should not forward your reply.

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For further details telephone or write to S. W. J. Adamson, FCA, Grosvenor Stewart Limited, Hamilton House, 15 Tilehouse Street, Hitchin, Hertfordshire. Tel: 0462 55303.

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LABOUR NEWS

S. Wales miners issue writ over incentives

BY PAULINE CLARK, LABOUR STAFF

SOUTH WALES miners joined Yorkshire and Kent yesterday in issuing a writ against union leaders over last week's executive decision to allow area incentive schemes in the coal mining industry.

The writs, which are to be answered to-day in a court appearance by Mr. Joe Gormley, president of the National Union of Mineworkers, Mr. Laurence Daly, general secretary, and the NUM executive also specify South Derbyshire union leaders. The union expects miners in South Derbyshire to receive in the near future about £30 on a productivity deal which is already well advanced.

The writ arrived as South Wales miners held a delegate conference to decide whether to follow the decision by their Scottish colleagues last Monday to take industrial action against local productivity deals.

South Wales was expected to reaffirm its strong opposition to local incentive schemes, in line with its previous vote of about 80 per cent. against the national scheme.

But the key vote on the issue is expected from Yorkshire miners at the beginning of next week. Six collieries there decided recently to seek incentive schemes from the National Coal Board (NCB), but they remain a minority among the 65 Yorkshire pits and it remains uncertain how many will show loyalty to the long and bitter campaign against such schemes led by Arthur Scargill, the Yorkshire president.

A workable outcome to NCB hopes that its rejected national incentive scheme can be introduced through the back door at local level seems still to be in the balance.

Yorkshire — second only to the Midlands in terms of coal output — seems a major threat to NCB aspirations in view of its writ against NUM leaders for allegedly overruling the national ballot decision against incentive schemes. But the NCB now claims that about half its total output is covered by those who are seeking productivity deals or whose applications have already been granted.

The Government hopes that sufficient miners will opt for incentive schemes rather than launch a major assault on its pay guidelines with a threatened £135 a week claim and this was given a further boost by Solsgirth miners in Scotland this week.

The 1,100 miners in the highest productivity Scottish pit declared yesterday that they would remain on strike in protest at comments made by Mr. Mick McGahey, their union leader, after the vote on industrial action.

Mr. McGahey is being asked to explain his suggestion that the conference was totally in favour of the decision when seven out of nineteen votes were against.

Mersey bakers strike vote

BAKERY works on Merseyside have voted almost unanimously in support of industrial action over their national pay claim which could lead to a strike before Christmas.

But the full results of a national ballot on strike action by the 57,000-strong Bakers' Union is not expected to be known until a union executive meeting on Friday.

About 2,000 bakers in five major bakeries in Merseyside supported industrial action after an offer from the Bakers' Federation which they claim only amounts to about 6 per cent. if no overtime is worked. The Bakers' Union has tabled a claim for an 18 per cent. increase in basic pay.

Newspapers resume after four months: journalists stay out

BY OUR LABOUR STAFF

WESTMINSTER Press Group is to resume from to-day publication of its Northern newspaper publications for the first time in four months but without the co-operation of four-fifths of its journalists.

A union chapel meeting of 106 Darlington journalists who have been on strike for about six months over a closed-shop dispute yesterday threw out a revised peace formula. The offer was described by management as a last-minute effort to persuade them to return to work as their newspapers returned to circulation.

The journalists, all members of the National Union of Journalists, were said to have been offered some extra cash incentives in addition to the undertakings given on holiday pay, pensions and a Christmas bonus in a previously rejected offer.

But throughout the strike the journalists have insisted that their closed-shop demands must be met before they will call off the strike over the employment of a sub-editor who is not a union member.

The decision to return to publication in North of England Newspapers, a subsidiary of Westminster Press Group, was taken last week after printers in the National Graphical Association voted to end their support for the journalists.

Problems

Management said yesterday that there were bound to be problems in relaunching the group's papers after being so long out of circulation. The Evening Dispatch, Britain's smallest evening paper with a circulation of 17,000, would be on the news-stands again to-day while the Northern Echo, the country's largest provincial morning paper with a previous circulation of 112,000 would return to-morrow morning. The weeklies would resume publication next week.

Advertisers were said to have remained loyal.

The Northern Echo is expected to reappear with 18 pages compared with between 14 and 24 pages on average before the strike.

Union plan to 'save our steel'

By Our Labour Staff

A PLAN TO "save our steel" was put forward in London yesterday by shop stewards in the Transport and General Workers Union, the steel industry's second biggest union.

The stewards agreed in principle to an improved severance pay scheme where closures have been agreed and urged that this be linked to a scheme for early retirement for its members in the British Steel Corporation.

The eight-point plan put forward by the stewards follows outline agreement earlier in the week between Steel Corporation officials and the TUC steel industries committee for local negotiations about the closure of steelmaking in Hartlepool and possibly other high-cost plants.

In return for cooperation over redundancies, the stewards have asked the Department of Industry to clamp down on steel imports and to reduce the burden of debt on BSC.

The meeting reaffirmed the union's opposition to any enforced redundancies and insisted that their cooperation is "dependent upon the negotiation of an investment strategy to be agreed between the Government, the unions and the BSC."

Teachers act on staffing

By Alan Pike

THE National Union of Teachers has begun a new wave of action aimed at maintaining and improving staffing levels.

Action is now being mounted against eight authorities—Surrey, Warwickshire, Avon, Bolton, Oxon, Kent, Bexley and Bucks. Teachers are in some cases refusing to cover for colleagues absent for more than one day, and in others refusing to teach over-sized classes.

More dock workers accept pay policy

BY NICK GARNETT, LABOUR STAFF

DOCKERS at Ayr and on the Medway have joined those at five other ports, including Preston and the Tees, in accepting pay rises within the 10 per cent. pay guidelines.

Dockers at Bristol are discussing with port employers the possibility of a productivity scheme on top of a 10 per cent. offer.

London dockers, who are due to settle in January, are seeking a new bonus system based on working gangs rather than ships upon which a productivity scheme could be built. There have also been talks on new pay deals for specific berths.

Dockers at Southampton and Hull, who are also due to settle at the beginning of the year, have been offered a deal within Government guidelines but no talks have taken place on productivity.

● The Department of Employment said yesterday that it has still to give final approval to a 40 per cent. pay and productivity deal for 50,000 electricians.

Joint Press technology policy urged

STEPS must be taken to ensure that the National Union of Journalists' policy on new technology does not diverge from the interests of other trade unions at national or local level, says a report by an NUJ working party.

The NUJ conference in the spring elected a committee to examine the implications of computer-based technology. Its conclusions, Journalists and Technology, will form a report to next year's conference.

It is stressed by the committee that journalists should not appear to be poaching jobs from other unions, and the conference will be urged to state that it is not NUJ policy "to seek to extend journalistic work into the field of production at present covered by the other print unions."

Where there are no inter-union agreements the NUJ should not negotiate on new technology unless other unions have agreed to allow their traditional work to be absorbed into that of journalists. There are believes the committee, strong grounds for compositors retaining all setting work.

There must be no redundancies or loss of jobs through natural wastage arising from new production methods. The committee suggests that there should be no negotiations on new technology without the fullest information on the financial reasoning behind management proposals.

NUJ members must share in the economic benefits of new technology. A 32½-hour week and 30 hours for night workers are suggested where direct input is agreed.

Barclays staff agree to inquiry

THE BARCLAYS Bank Staff Association has agreed in principle to an inquiry into Staff representation for the clearing banks proposed by the employers.

The association, however, while prepared to enter discussions on the formation of one staff body for the clearing banks is worried about the proposed inquiry's terms of reference.

These bonds have been sold outside the United States of America. This announcement appears as a matter of record only.

NEW ISSUE

December 15, 1977

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LORDS RULE ON GRUNWICK RECOGNITION DISPUTE

ACAS appeal fails

BY NICK GARNETT, LABOUR STAFF

THE HOUSE of Lords yesterday ruled invalid the recommendation from the Advisory, Conciliation and Arbitration Service that the clerical union, APEX should be recognised at the Grunwick film processing company.

Lord Diplock, the senior Law Lord on the House of Lords judicial committee said the House had to decide not on the merits of the industrial dispute but on the naked question of the law.

The other four Lords on the committee concurred in dismissing an ACAS appeal against a previous judgment by the Appeal Court.

Lord Diplock said that on April 5, 1977, Grunwick commenced an action against ACAS and APEX for a declaration that the report was *ultra vires* and void. In the statement of claim the principal ground relied upon was that ACAS should not have ascertained or had regard to the opinions of the employees who had been dismissed but were seeking re-employment, as they were not workers to whom the issue relates.

This ground of invalidity had been rejected by the Lord Chief Justice and by the majority of the Court of Appeal for reasons he found convincing.

The definition of "worker" for the purposes of the Employment Protection Act 1975 was to be found in section 30(1) of the Trade Union and Labour Relations Act 1974: and the relevant part read.

"'worker' . . . means an individual regarded in whichever (if any) of the following capacities is applicable to him, that is to say, *as a person* who works or normally works or *seeks to work . . . under a contract of employment . . .*"

Manifest

"In considering whether the requirement that their opinions should be ascertained by ACAS is mandatory the Court of Appeal, in my opinion rightly, attached importance to the effect which a report by ACAS might have upon those workers to whom a recognition issue relates. A recognition issue is about a claim by a particular trade union to act on behalf of employees in collective bargaining with their employer upon a whole range of matters affecting their employment, and thus a large part of their daily lives.

"Granted the manifest policy of the Act to encourage the extension of collective bargaining, it is nonetheless unconvincing to suggest that it is of minor importance to workers which particular trade union is to negotiate their terms of employment for them and to decide whether any and, if so, what kind of industrial action they will be called upon to take in support of a claim of their own or in sympathy with other workers or even for political reasons only."

Lord Diplock said he agreed with the Court of Appeal that the requirement in section 14(1) that ACAS "shall ascertain the opinion of workers to whom 'the issue relates'" was *mandatory*, whatever the precise content of the requirement might be.

"Like the Court of Appeal I am unable to accept the qualification, which the Lord Chief Justice held to be implicit in the subsection, that the obligation to ascertain the opinions of workers extended only 'so far as reasonably practicable' in the circumstances of the particular case."

He continued: "So to construe section 14(1) of the Employment Protection Act 1975 as if it contained the words suggested by the Lord Chief Justice, would give to ACAS not only the wide discretion expressly conferred upon it by the subsection to decide upon the means by which the opinions of workers are to be ascertained but also a wide discretion, if faced by any difficulties, to dispense with obtaining the opinions of workers or of substantial groups of them, at all. For my part this implication would in my view do too great violence to the express words."

Lord Diplock: Two courses open.

Lord Diplock thought that upon their true construction the words the draftsman used in section 14(1) when read in the context of the remaining subsection and of section 12, made manifest a statutory intention that before making a recommendation under section 12(4) and (5) for recognition of a particular trade union for the purpose of collective bargaining on behalf of the work force of a particular employer, ACAS should ascertain and take into consideration the opinions on that issue of the work force as a whole, and, where there was a reasonable possibility that there might be conflict of opinions, should ascertain and take into consideration those held by every group of workers of any significant size that formed part of the workforce that would be affected by the recommendation.

"It is ACAS's power and duty under the Act to make such recommendations as it thinks best, but what it is not entitled to do is to make any recommendations for recognition so long as it remains in ignorance of the opinions held by the majority of the work force or of what may be conflicting opinions held by any group among them of significant size.

"For these are matters which the Act requires ACAS to take into consideration in arriving at any decision to make a recommendation for recognition and, should it fail to do so, then, as it was put in the Wednesbury Corporation case, it will have failed to direct itself properly in law. The recommendation will in that event be ultra vires and consequently void."

Faced with difficulties over Grunwick, there were, said Lord Diplock, two courses lawfully open to ACAS. "There is no statutory time limit within which it must report and it could have deferred reporting until it had devised some other means of ascertaining the opinions of those workers whose names and addresses Grunwick were unwilling to provide before the questionnaire was issued by APEX at the end of December 1976.

Or it could have issued a report under section 12 (4) setting out its finding that it was unable to ascertain the opinions of the majority of the workers to whom the issue related and that for that reason it was debarred from making any recommendation."

"Grunwick's have done nothing unlawful. An employer is under no legal obligation to cooperate with ACAS in its consultations or inquiries in a recognition issue, however sensible it may be to do so. The only legal obligation upon the employer imposed by section 14(6) and is confined to notifying the result of a formal ballot to his employees, who were invited by ACAS to take part in it."

Dismissals

Lord Salmon said Grunwick was entitled by Common Law to dismiss the strikers in September 1976 because they had walked out in breach of their contract of service.

If, but only if, Grunwick had dismissed some but not all of the strikers or had reinstated anyone whom it had dismissed it could have been found guilty by an industrial tribunal of the unfair dismissal (as defined by the statute) of those whom they had dismissed or failed to reinstate.

"This might have made Grunwick liable to pay substantial sums of money to the dismissed strikers and to an order to reinstate them," Lord Salmon added.

"The result of this appeal turns solely upon whether the part of section 14(1) which I have cited is mandatory or directory. *Prima facie* the word 'shall' suggests that it is mandatory but that word has often been rightly construed as being *directory*. Everything turns upon the context in which it is used—the subject matter, the purpose and effect of the section in which it appears.

"In my view, sections 12(4) and 14(1) read together mean that ACAS in considering a recognition issue may make such inquiries as it thinks fit but that it *must* in the course of those inquiries and before deciding the issue, ascertain the opinions of workers to whom the issue relates. Parliament has given very large powers indeed to ACAS and to any trade union which refers a recognition dispute to it. The employers may not wish to recognise the trade union and the workers may not wish to join it.

Yet, if ACAS recommends recognition and the employer fails to comply with the recommendation. ACAS can take the matter to the Central Arbitration Committee which can write into every man's contract of service terms which neither he nor his employers have agreed.

He agreed with Lord Denning that "such an interference with individual liberty could hardly be tolerated in a free society unless there were safeguards against abuse."

Lord Edmund-Davies, Lord Fraser of Tullybelton and Lord Keith of Kinkel concurred in dismissing the appeal.

FINANCIAL TIMES SURVEY
Thursday December 15 1977

Italian Wines

As the world's largest producer of wine Italy has plenty for export. Among the EEC countries Britain has proved a rapidly expanding market, with sales rising almost tenfold since 1970—helped by a quietly effective advertising campaign.

Major success story

By Kenneth Gooding

U.K. represented an most-untapped market for Italian table wines before 1970. Since then, however, the imports have really begun to flow. As a fact Italy to-day is on the point of passing Spain as the second-largest supplier of wine to Britain and accounts for 16 per cent of total sales.

The statistics which illustrate this phenomenon are impressive. In 1970 the British consumed 25,000 gallons of Italian wine, roughly 3.9m. bottles. Last year sales had jumped to 6.25m. gallons, or 37.5m. bottles. The 1977 performance will depend very much on the Christmas trade. After all, the wine and spirit traders do about 40 per cent of their total business in this period. However, there is no doubt that Italian table wine sales this year will top 7m. gallons, equivalent to 42m. bottles.

Progress

This progress has been made during both good times and bad. Since 1970 total wine consumption in the U.K. has more than doubled to around 3 litres a head. But growth has stopped in its tracks after the spring Budget of 1975 when the Chancellor of the Exchequer piled on further duty increases, taking the duty payable wine to 50p a bottle.

Yet the volume of wine flowing to Britain from Italy, though not making the heavy percentage gains seen earlier in the 1970s, continued a steady upward course.

From Italy's point of view it was important to take advantage of the potential in the U.K., one big market within the European Community not yet saturated and where demand for wine seems to have a long way to go before it is satisfied.

For Italy is the world's largest producer of wine. An average year would see wine production reach around 70m. hectolitres (roughly 1.5bn. gallons) although the 1977 total will probably be nearer 63m. hectolitres (1.4bn. gallons).

And wine production is not limited to one part of the country. The wine producing areas range from Val d'Aosta in the extreme north to Calabria in the southernmost toe of the Italian "boot."

Of course, wine is more important to some regions, particularly those like Emilia Romagna, Sicily and Tuscany which have not been industrialised.

The Italian Government estimates that some 2m. people are involved in wine production or distribution. But the country tends to consume most of the wine itself.

Out of the 70m. hectolitres of wine produced last year some 14.2m. hectolitres was exported. This means that the Italians drank eight out of every ten bottles their vineyards produced. However, Italy is one of the countries where wine drinking actually seems to be on the decline. In 1970 consumption reached 113.1 litres a head. Last year it had dropped to 99.7 litres, a change which has gone hand in hand with the drift of people from agriculture to industry. (Apparently, drinking wine at lunch time is fine if you work in the open, but it has a tendency to make people sleepy when they work in a factory or some other industrial premises.)

As a result the Italians have been overtaken by the French as the world's major wine consumers. The French, in spite of a fall in wine consumption from 109.1 litres a head in 1970 to 101.3 litres last year, have moved to the top of the world's wine-drinking list.

It comes as no surprise, therefore, to find that France is Italy's best customer for wine. Last year exports from Italy to France totalled 6.6m. hectolitres. West Germany was the second most important export market and took 4.1m. hectolitres, with the U.S. far behind in third place, taking not quite 1m. hectolitres. The U.K. was in fourth place with imports of 280,000 hectolitres.

There is no doubt that major changes in Italy itself paved the way for the recent successes in Britain. Wine production in Italy has been substantially altered by the restructuring which has taken place. The small producers have been encouraged to join co-operatives and groups of co-operatives—there are now more than 600 in Italy—have joined together in "Consorzia."

This has had a profound effect on the quality and merchandising of their wines and has enabled Italy's skilled oenologists to improve and control the quality of wine while being able to produce good wines in sufficient quantity to justify the competitive prices at which they are sold.

Italy's new wine law of 1963 also played a big part in convincing the British that Italian wine should be taken seriously. This law set up nationally enforceable rules for the protection of wine "names." It ensures that the initials DOC (*Denominazione di Origine Controllata*) are reserved only for wines of particular reputation and worth.

It took a few years for the new DOC regulations to take a grip, but by 1968 they were functioning well and gave confidence to the U.K. shippers who were willing to back their development in Britain.

Meanwhile, in Britain the supermarkets and big grocery groups were becoming an increasingly important force in the take-home part of the wine and spirit business. The price and quality of Italian wine was just what they were looking for and there were a number of aggressive wine organisations—often either owned or operated by people of Italian descent—ready to provide the service back-up also necessary.

There are, however, still a number of important questions to be answered about the future of Italian table wine in the U.K.

The first, quite naturally, is whether the success since 1970 will continue into the 1980s. How long will it be before the volume increases move onto a plateau?

There is some confusion surrounding this issue. It stems from the decision taken by Bass Charrington Vintners, the brewing group's subsidiary, in 1974 to switch the source of supply for its Hirondelle brand of table wine to Italy. This gradually took effect during 1974 and 1975 and had a dramatic impact on Italian wine figures for those years because Hirondelle is the best selling brand of table wine in the U.K. According to Bass, the British are drinking nearly 12m. bottles of Hirondelle each year. Bass also maintains that when the sales of its Italian wine division, Evans Marshall, are coupled with those of Hirondelle, it accounts for nearly half of all the Italian wine sold in the U.K.

Given that the switch by Hirondelle was a once-and-for-all move (although in theory Bass could move the source of supply away from Italy any time it felt this would be commercially worthwhile) it does seem unlikely that the big percentage gains in volume apparent in the mid-1970s can be repeated.

Another important question facing the Italian wine trade is that of the "image" of the wine.

New ground was broken in the wine trade when shippers started selling Italian wine in two-litre bottles and, later when prices rose, also in 1½-litre bottles. There are some people in the trade who argue that selling Italian DOC wines in this way has done the image no good at all. On the other hand the companies selling these large-sized containers claim the big bottles help keep prices down and that if they contain good, value-for-money wine their image with the consumer does not suffer.

Another aspect of this "image" problem is how Italy can promote an "identity" for such a proliferation of different wines. There are already 211 DOC wines and this number is certainly going to increase over the next few years. More and more different styles from various regions are being introduced to the British market at a rate which must confuse the customers.

In this context the reaction of the major brewers (which by some estimates account for six out of ten bottles of all types of wine sold in the U.K.) to this proliferation is significant.

Brands

The brewers' wine divisions have preferred to develop brands of Italian wine, often ignoring such things as DOC and regional names. They argue this gives them a long-term stake in the market for Italian wines. By getting a "following," for a particular brand of wine, the brewer feels he is insulated to some extent from the price cutting which has been a feature of the wine trade for some years.

Not only have well-established shippers of Italian wine been extremely price-competitive when offering their products to outlets like the supermarkets, but the publicity the Italian "wine boom" has received has attracted some fringe operators into the business. These people often discovered it was not so easy to make a quick financial killing and have been left with little alternative but to sell their wine at cost—or even below cost. Naturally this has had an unsettling effect on the price structure of the whole Italian wine market.

In spite of these reservations, the majority of wine shippers, be they big brewers or smaller private concerns, see Italian wines continuing to thrive in Britain and believe Italy will quickly overtake Spain as the second most important supplier, even though that country is now taking steps to improve its position in the U.K.

The major suppliers of wine to Britain, countries like France, Spain and Germany, seem unlikely to suffer extensively from Italy's penetration of the market. The main impact will almost certainly be on "third country" (non-EEC) wines which will not be able to compete with Italian value-for-money quality and prices while having to cope with Common Market tariff barriers.

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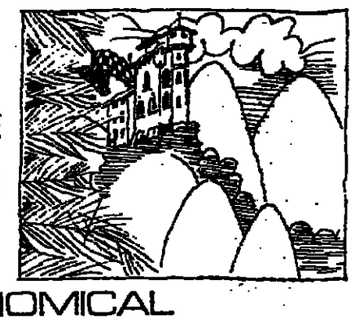

WARM WELCOME FROM THE ALPS AND FROM THE CASTLES

GREAT GASTRONOMICAL TRADITIONS... BUT ALSO

THE LAND OF GREAT WINES

ASTI SPUMANTE AND NATURAL MOSCATO TO FINISH A MEAL, BAROLO AND BARBARESCO FOR NOBLE MEAT DISHES, BARBERA FOR A RICH TABLE, DOLCETTO FOR HIGHLY SEASONED DISHES, CORTESE DI GAVI FOR FISH, GRIGNOLINO FOR A GOOD START...

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Drink Your way through these and you will do as the Romans do!....

Sponsored by the
Regional Government of Latium, Department of Agriculture and Forestry.

The heart of the Bolla vineyards at Valpolicella in the Veneto region of Northern Italy.

Shippers share in success

THERE ARE MORE than 70 shippers of Italian wines in the U.K. Indeed, it is fair to say that most wine shippers have some Italian products in their portfolios. But I have been able to identify only two companies which deal exclusively in Italian wines and do not mix them up with wines from France, Spain, Germany and so on.

One of these is Italvini which claims to be "Britain's largest importer of Italian-bottled table wines." It was founded only in 1969 and its success very much reflects the growing demand for Italian wines in Britain during the 1970s.

As far as the trade is concerned, Italvini's name is firmly linked with that of its founder and deputy chairman, Mr. Gianni Castagno. In fact, though, much of the finance behind Italvini is British and the majority shareholder is the chairman, Englishman Mr. David Kingsley, who owns 62,000 of the 120,000 issued shares.

Italvini was first in the field with double-litre bottles of Italian wine which it launched in 1970. These big bottles caught the imagination of the wine-buying public, particularly the younger drinkers, and the company did not remain long the market's sole supplier. To-day double-litres and magnum sizes account for between 65 to 70 per cent. of Italvini's trade.

However, Mr. Castagno, who has a doctorate in oenology from the Schola Oenologica of Alba, is also concerned with promoting the better-quality DOC wines, the Barolo, Barbaresco, Verdicchio and Chianti Classico wines for example.

Italvini is currently moving into a new stage of its development. Mr. Castagno is leaving the U.K. next week to set up a buying office for the company in Italy—he will live and work in Tuscany.

Secure

"This move will secure Italvini's vital supply lines and Mr. Castagno's on-the-spot presence will enable the company to be completely up-to-date in all respects with the Italian wine market. It will also ensure total control of the quality of wine and packaging which is so important in Italvini's modus operandi," the company says.

According to the latest accounts filed at Companies House, in the year to June 30, 1976, Italvini's turnover was up from £2.12m. to £3.459m. Net assets were worth £231,367. The after-tax profit was £68,875 which, when added to the profit brought forward, left a retained surplus of £131,367.

Italvini's big independent rival is Enotria Wines, founded in 1972 by the chairman (and one of the major shareholders) Mr. Remo Nardone. Enotria says its turnover for 1977 will be more than £3m. The latest accounts to be filed are for the 15 months to December 31, 1976 and show the company's turnover for that period was £2.52m. There was a £2,133 loss after tax (compared with a £9,404 profit in the previous year) and the balance carried forward was £34,978. Net assets were worth £74,647.

Mr. Nardone, who was born in Italy and knows the wine market there, also has experience of the U.K. wine shipping business having worked in the past for F. S. Matta, Beecham's wine and spirit subsidiary, and Bass Charrington Vintners. He says: "We feel Enotria has contributed to the overall success Italian table wines have been recording in recent years by bringing value-for-money wines not previously heard of in Britain to the market, particularly into the take-home trade."

There is a good deal of friendly rivalry between Italvini and Enotria and Mr. Nardone insists: "We will soon be number one." The rapid build-up of business came for Enotria because "we try to be less imperfect than most."

Enotria is not the other company dealing solely in Italian wine because it recently added some German and Portuguese wines to its list.

The distinction goes to another concern founded only five years ago, and by another Italian, Mr. Renato Trestini. The company bears his name. Like Mr. Nardone, Mr. Trestini is devoted to the idea of U.K. of the better-quality Italian wines. His wine list to be issued next January will offer 150 different Italian wines, many of them specialised wines for the growing number of connoisseurs of that country's varied products. For example, the list will include 18 different sorts of Barolo wines.

Of course, it is difficult to justify in commercial terms having a broad range of fine Italian wines. Companies like Trestini are willing to provide such a service for other reasons but the major shippers — and that includes the wine and spirit offshoots of most of the big brewing groups — need to take commercial considerations into account.

For that reason they have tended to restrict the numbers of Italian wines they handle and to concentrate in particular on branded Italian wines for which they can build up some kind of consumer franchise.

Britain's biggest brewer of beer, Bass Charrington, also happens to be the company which imports the most Italian wine, much of it in bulk shipments (which allows Italvini to make its claim about being the biggest shipper of Italian bottled wine).

Bass reckons it accounts for around half of all the Italian wine sold in the U.K. Its rivals, using the same official statistics —clearances from bond and import figures — estimate it is more like 42 to 44 per cent. In any event, it is a huge chunk of the total market. Unofficial estimates put Bass's Italian wine turnover at £5m.

Most of this wine is not sold as "Italian" wine at all but goes into bottles carrying the Hirondelle label — Hirondelle being Britain's top-selling brand of table wine. Bass switched to Italy as a source of supply for Hirondelle in 1974-75 and might one day take a decision to switch away from Italy again.

Range

The group does, however, have a strong range of Italian wines with names like Bolla, Corvo, Cancia, and Ruffino. During the recession Bass noted the comparative success of those wine companies which specialised against the difficulties of those with very broad portfolios. So the Italian wines were separated out to be handled by a separate Bass company, Evans Marshall. This concern now concentrates exclusively on the non-Hirondelle Italian wines which Bass handles.

For some time earlier this year there was much speculation about Bass's involvement with the Italian wine brands. The group considered a scheme which would have involved it giving up the U.K. distribu of those brands to a new pany set up by the Ita owners and in which Bass to have had a stake.

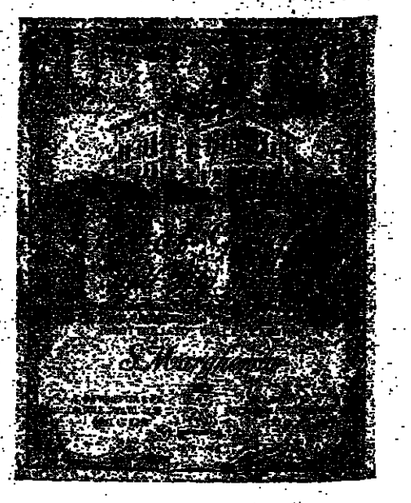
Behind the proposed was a belief that Com Market legislation will radi alter the current wine distri tion system where sole are appointed for indiv countries.

To counter this, Mr. Dou Messenger, until rec managing director of H and Butler, Bass's main subsidiary, suggested several jointly-owned comp should be set up in various countries. The companies w distribute the product of joint owners—including Italians and Bass—and escape the problems pres by Community rules.

But Bass had thoughts, decided that the which would have been ne for the proposed project required for schemes higher priorities, and wines remain with E Marshall.

Kenneth Good

One of Italy's treasures shortly in U.K.



Cantine S. Margherita

Portogruaro - Venezia

CONSORZIO COOPERATIVE RIUNITE D'ABRUZZO DI ORTONA

High quality wine on the increase

There are now 188 *Denominazione di Origine Controllata (DOC)* Italian wines—and more in the way. They range from the Aosta Valley in the north-west and the borders of Austria and Yugoslavia on the north-east to the Mediterranean littoral of Italy. Wine is produced in every one of the country's 19 regions, usually copiously, and in nearly all the provinces. More often than not Italy is the world's largest wine producer.

As with the French *Appellation Controlee (AC)* wines they represent great variations in style, quality and output, and sometimes there is not all that difference between neighbouring DOC wines. But that can be said of French AC wines too, notably among some of the 50 deriving from Bordeaux.

Of the DOC wines, scarcely more than a handful are at all well known and widely distributed in Britain, and with few exceptions they come from the northern and central parts of the country. To some extent the great success here of the Italian wines sold in large bottles (60 per cent. of them are DOC wines but usually not of the better quality) has worked against recognition of the most distinguished examples sold in normal-sized bottles. In other words Italian wines have been regarded as essentially cheap wines, to be bought by price rather than quality.

Nowhere in the world, however, is it possible to combine high quality with low price. For one thing, all red wines of distinction require a maturing period that may be prolonged; and that is costly in terms of storage and capital locked up. If the better Italian wines were better known they would be more appreciated and not expected to compete directly in price with French or even Spanish wines, neither of which they resemble except when made from imported grape varieties.

Among this enormous range of wines, to express personal preferences is a ticklish business in a country so provincially minded and infused with local pride as Italy.

Here, however, we must be concerned principally with those superior Italian wines either likely to be available in Britain or to be found easily on a visit to the country. The first of these, obviously, is Chianti. Although there are no fewer than seven territorial divisions of Chianti, there is in fact only the one appellation. Produced from the Sangiovese grape, it is a fruity, fairly tannic wine, often with a good deal of acidity, and admirably suited to spicy Italian food. In theory the Classico variety, produced in the heart of Tuscany between Florence and Siena, is the best and probably achieves the highest consistency of quality, but I have enjoyed excellent examples from the other areas.

Nor is Chianti always the best wine from the Sangiovese, for it has formidable contenders in Brunello di Montalcino, Vino Nobile di Montepulciano and from across the Umbrian border Rubesco Torgiano, which I regard as one of Italy's best and most rounded red wines; it is obtainable in this country.

If, however, one is looking for the wines that most Italians will admit as having a special claim it is those of Piedmont, notably Barolo and Barbaresco, to which should be added Gattinara.

It is the first two of these that have been proposed for the top quality grade of DOC Garantita, along with Brunello and Montepulciano. This involves compulsory local bottling, and has yet finally to be resolved. All the three Piedmont wines are made from the Nebbiolo grape, indigenous to that part of Italy and producing powerful and, at their best, velvety wines. Unfortunately, rather like Rhone wines, they are often consumed too young, but I have drunk excellent 40-year-old Barolo and 25-year-old Barbaresco. Expensive by Italian wine standards, if they are any good they are well worth the money. Other excellent wines from the Nebbiolo are Spanna (not a DOC but none the worse for that), and the two reds from the Aosta Valley, Donnaz and Carema.

Popular

Moving across north Italy, there are the Valtellina wines, little known over here but very popular in neighbouring Switzerland. Made from a local grape, the Chiavennasca, grown at a height of about 1,500 feet above sea level, they have less body than the Piedmontese wines but the older *riserva* types can be very good. One reason for drinking them on the spot is that this mountain valley is so attractive. The chief names are Sassella, Grumello and Inferno.

Further east one reaches the Veneto wines, second only in popularity to Chianti: Valpolicella, Bardolino and the white Soave. A good Valpolicella can be a very satisfying fruity wine, while Bardolino is lighter, somewhat, in relation to Valpolicella as Beaujolais is to the Cote d'Or reds.

Soave, along with Verdicchio, Orvieto and Frascati are the best-known Italian whites. For me the test for all dry white wine is freshness combined with fruitiness. Unfortunately, too many Italian whites are pasteurised in order to stabilise them against secondary fermentation in hot weather. But not all producers have found this necessary, and on this count I find some of the Verdicchios, from the Marches, among the most attractive, but there are others. One of the rarest Italian wines is Picolit from Friuli, a sweet wine made in very small quantities on the Alpine foothills. Both in aroma and flavour it is quite different from other sweet white wines that I have encountered. From Friuli too come the hill wines of the Colli Orientale.

This part of northern Italy, including the Trentino and Alto Adige, is much occupied with large-scale production for exporting north of the Alps. So to some extent they plant foreign grape varieties, including the Merlot, Pinot, Traminer and Riesling. One should bear in mind, nevertheless, that the Italian Riesling has little in common with the Rhine Riesling, which produces wines of more flavour and character; and it is grown in Italy too. The best known wines of this area are Santa Maddalena and Lago di Caldoro, to be recognised in Austria as Kalterersee.

As one descends the Italian peninsula one comes upon DOC wines little known outside their region, let alone beyond the Italian frontiers. Accordingly they must be sought on the spot. For example, visitors to many-towered San Gimigniano will be offered the white Vernaccia, those passing through Montefiascone, north of Rome, will find Est! Est! Est! a wine that enjoys through its name a reputation wider than its distribution.

Then in Rome you may reasonably expect to find the excellent red Cesanese, produced about 30 miles to the south, while nearer at hand are the Colli Albani wines. Across the Apennines and into the Marches are the two hearty-flavoured Rosso Piceno and Rosso Conero. The Abruzzo complicates matters by having a Montepulciano d'Abruzzo, made from quite different grapes from the more famous Tuscan Montepulciano. The Calabria boasts its Ciro, red, white and rose, of which the red is usually the best.

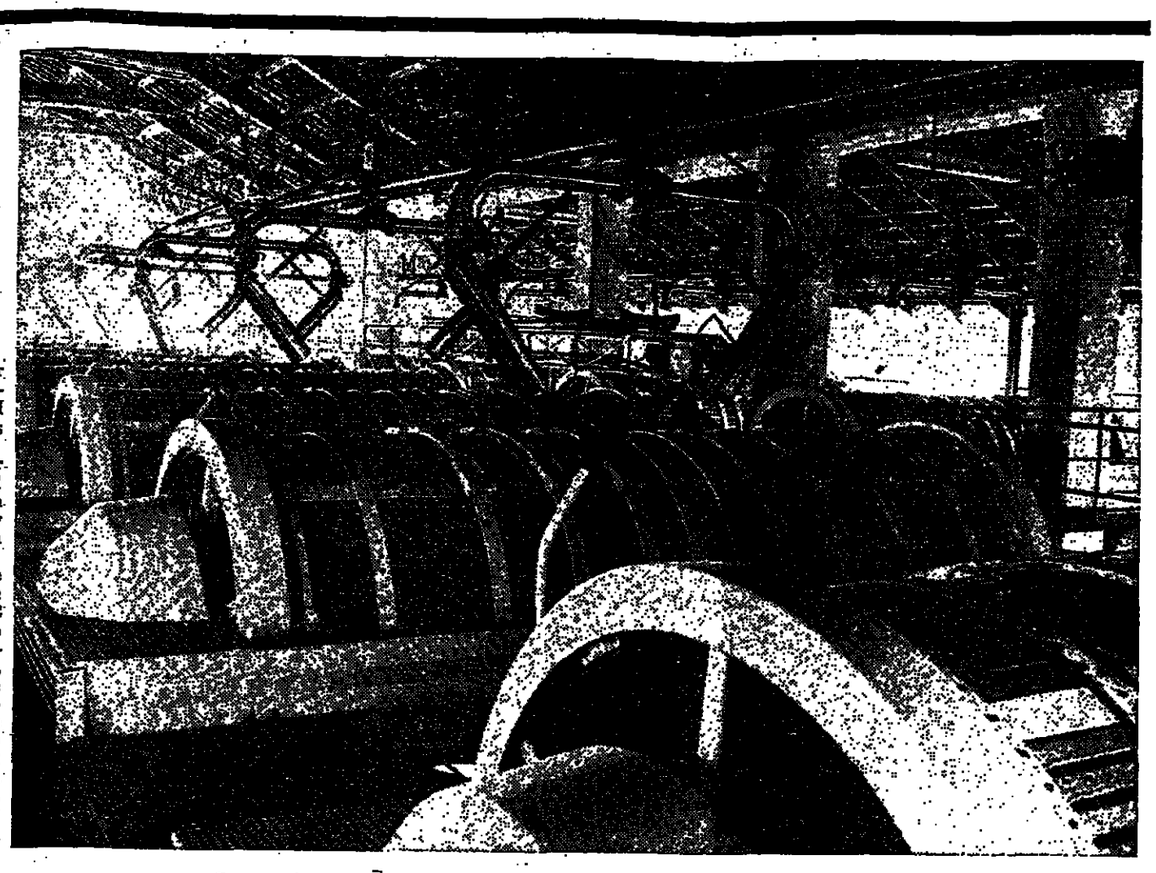
Different

When the Straits of Messina are crossed one is in quite a different wine country. Sicily's best-known wine is of course Marsala, an under-rated aperitif or dessert wine now largely relegated to the kitchen. Yet a fine old Vergine solera deserves restoring to the dining room. Curiously enough the two best-known Sicilian table wines —Regaleali and Corvo—are not DOC. In both the red are superior to the white, and the former has more character than the latter, but is scarcely exported; the latter is. The only significant Sicilian DOC wine is Etna, grown on the slopes of the volcano; a big fruity wine. However, as visitors will know, the Sicilians are very proud of their Moscatos, notably those of Noto, Pantelleria and Syracuse. They provide delicious dessert wines.

I have mentioned but a tithe of Italy's regional wines. One can recall the Cinqueterre whites grown on terraces that almost fall into the sea on the Ligurian coast, and the dry white Cortese di Gavi from near Allessandria. The list could be lengthened, but until their export is better organised and becomes more worthwhile both for growers and importers here, the result would only confuse. As it is, many of such wines must be reserved for drinking in the region of production; and as a travelling companion Philip Dallas's *Italian Wines* (Faber £4.95) may be recommended to the itinerant wine-taster.

Edmund Penning Rowsell

"Graticule" trays used to dry grapes from harvest time until the middle of January.



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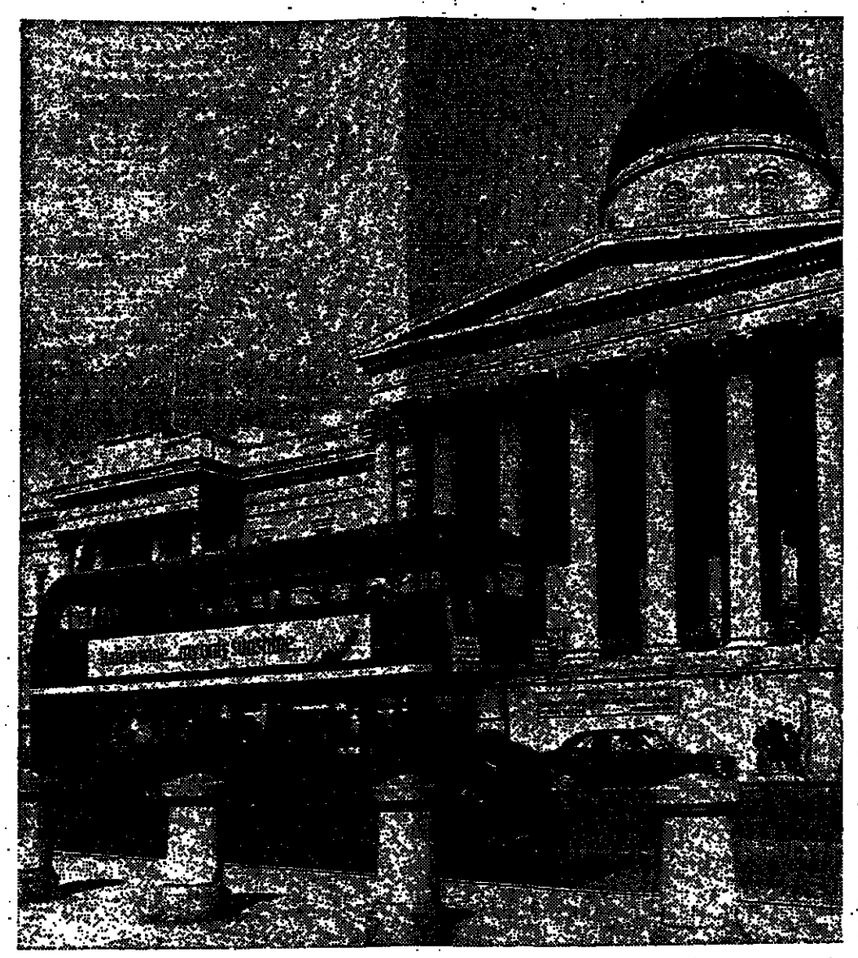

Part of the advertising campaign carried by London buses.

DOC mark of quality

DESPITE ALL the misunderstandings and occasional scandals surrounding the *appellation controllee (AC)* mark on bottles of French wine there remains the feeling among the public that this should guarantee not only a limited pedigree of origin, but also one of quality.

It is used by the casual buyer of table wines to provide a benchmark when taking a gamble on the choice of a bottle of wine. Too often the buyer knows too little about the product he is buying while aware at the same time that he risks being judged by friends and acquaintances on the outcome of his choice.

All the major wine-producing countries of the world like to run some sort of similar club which gives an "official" ring to the origin of the wine, though none as yet has put over the message quite as hard or successfully as the French.

The Italians, however, are working busily towards that end despite problems in the initial stages with the refusal of some of the major producers to join on the grounds that they want to protect an already established trade mark. Others feel that until there is far more control of the system there is little good to be gained and the risk of a great deal of damage.

The Italian Government first introduced *Denominazione di Origine Controllata (DOC)* in June 1963 in a bid to impose existing voluntary standards on all those who wished to sell a wine under a name which implied it came from a certain district and was made from particular grapes by specific methods.

Previously there had been loose associations and consortia which had set standards of wine production for themselves in order to establish certain regional types of wine in both the home and expanding overseas markets. There were also, however, cases where some of the major wine houses deliberately did not join these marketing groups because they felt that the standards were either not high enough or not rigorously monitored.

Even when the presidential decree on DOCs came in there was a seven-year lead time before many vineyards were able to reorganise vine growths to produce all the necessary grapes in the same area.

The development of DOCs has been slow and late but the industry has now come to terms with the need to establish this mark of quality particularly in export markets.

Wine production in Italy has grown substantially this century. In 1916 it was 21m. hectolitres, in 1936 47m., in 1956 63m. and in 1976 86m. — with a peak year in 1974 of 77m. hectolitres.

Exports have risen even more dramatically, from only two to 3 per cent. of output 20 years ago to 35 to 40 per cent. today. France alone takes about 14 per cent., most of it in bulk, whereas supplies to other markets are mainly in bottle. What happens after it arrives in France is a matter for the French.

Fluctuated

Production of DOC wines in the year 1973-74-75 fluctuated between 5.4m. and 6.3m. hectolitres, or under 10 per cent. of the total. But they have since been rising as a percentage of exports, reaching 13.8 per cent. in 1976.

At first only very few areas and the advanced producers in them were able to comply with the DOC regulations. Now there are over 120, and this number still does not include some of the great Italian wine houses.

One example is Corvo, from Sicily, which was produced by the Duca di Salaparuta. He is now dead, but even though the vineyard is now backed by the Sicilian Government it has not applied for a DOC. Instead it prefers to promote the Corvo brand name—the word is Italian for a crow—rather than declare a Corvo region which would allow others to produce copies, sometimes inferior, and thus damage the reputation Corvo has built up.

One of the best Chianti houses, Ruffino, is also in the dilemma of seeing the DOC as a must and yet being fearful of the whole system being undermined through lack of enforcement. It has refused to join the Black Cockerel consortium of Chianti producers on the grounds that some of the wines produced are just not worthy of the name.

But the Government has so far not been able to keep as watchful an eye as is perhaps necessary on the thousands of smaller wine producers.

There is the now famous case of the Government clamping down on the Ferrari wine house, which a few years ago was one of the largest in Italy. Its contravention of the DOC laws eventually cost it dear, for it has since closed down.

But while the Italians have been slow to bother about drinking DOC wines, it is in the overseas markets that the push is being made. In the U.K., Bass Charrington Vintners has told the Italians that they must push the DOC through advertising, even though it is the Hedges and Butler arm of Bass Charrington that imports so much non-DOC Italian wine to be sold under the Hirondelle label.

Because of the success of Hirondelle only about 50 per cent. of Italian wine sold in the U.K. carries a DOC, but if Hirondelle were to be discounted then about 90 per cent. of the remainder is DOC. However, Italian wines still tend to sell more on price than quality not only in the U.K. but in Italy, as is shown by domestic per capita consumption of 152 bottles a year, compared with under a dozen of all kinds in the U.K.

More people are now looking at the label and for the DOC as demand for quality increases, but there is no plan for Italy to move into the snob sector of the market in the future. There are discussions going on, however, over the possibility of grading DOC wine in order to give a closer guarantee of quality.

No set system has yet been devised to cope with the nature of the DOC covering part of an area and a grading system moving into opinions of quality. It is more likely that the lead for this would come from individual vineyards in much the same way that an US who was looking for a first-class French wine would base his judgment on the AC mark.

Developed

Instead the connoisseur bases his choice on highly developed knowledge of particular vineyards and particular years. No one has yet suggested that it should replace the reputation of an individual chateau.

More important is the need to put the DOC message across to the consumer. It is not yet well known in the U.K. trade, but very few people going into a restaurant and looking for a good quality Italian wine look to the DOC denomination as a guide.

Recently there has been a strong consumer campaign to promote Italian wines in general. If the DOC is to be taken seriously by the public it must be taken seriously enough by the producers to mount an equally strong and effective campaign.

Whatever happens two things seem certain. It will take a long time for the Italians to catch up with the highly structured French and it could be the end of the century before the DOC is properly established. The second is that once a section of the Italian industry has shown that it can compete in the quality end of the market it will continue to develop the market, so ensuring the eventual success of DOC.

Stuart Alexander

The Palazzo Antinori (from an 18th century print)

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Buoyant sales in Britain

THE SUCCESSFUL invasion of the U.K. market by the wines of Italy owes not a little to the marketing campaign carried out over the past decade by the Italian Institute for Foreign Trade, a campaign that has been characterised by its sensible deployment of limited resources.

The first impetus came in the late 1960s, following the introduction of the *Denominazione di Origine Controllata (DOC)* system of grading and guaranteeing the quality of wine in 1963. For the first time this meant that a shipper could be certain that one shipment of a particular variety would be roughly the same as the last, and he could order and re-order with confidence. The producers' co-operatives that were set up also helped to stabilise the quality of wine produced.

The sales build-up began around 1968, helped by increases in the cost of French wines. In 1970 the U.K. accounted for 650,000 gallons of Italian wine: by 1972 this figure had risen to 1¼m. gallons of DOC wine, brought into this country by seven importers.

The first marketing objective was therefore to bring more wine importers into the fold. The Institute's success in doing so is shown by the figures: 50 importers of Italian wine by 1973, 78 to-day, including most of the big names other than those who concentrate specifically on, for instance, French wines.

The means adopted were unspectacular but profitable. The Institute undertook a lot of gentle promotion work in the form of lectures to the trade, wine tastings for clubs and wine societies and a series of trade tastings. By 1973-74 the institute was producing booklets and also made a film "Land of Grapes" which is still widely shown to-day.

Special supplements in the trade papers and magazines also helped, but last year came the real turning point, because for the first time the Institute was provided with what it described as a "reasonable" budget. (The Ministry of Agriculture's contribution to the campaign in the UK and West Germany is L.3bn. — £1.3m. — covering a two year contract.) This enabled it to mount an extensive campaign—generic but backed by a certain amount of brand advertising—on commercial TV (though not yet commercial TV) as well as on the London Underground and on buses and in store promotions.

Support from Italy's major wine-producing regions resulted in a series of tastings in some of these, among them the wines of Sicily, Piedmont, Veneto, Trentino, Alto Adige, Friuli, many of which are little known here as yet. Regional Governments are chipping in with their contribution to the Institute's budget.

This increased budget is guaranteed until the end of 1978, after which it would be surprising if it were withdrawn, particularly in view of the remarkable increase in sales over the past year or two. Last year we drank 6½m. gallons of Italian wine, and estimates for this year (admittedly taken before the all-important Christmas period) suggest that sales are 16 per cent. up on 1976. If the figure for 1977 should be over 7m. gallons (42m. bottles) not quite a bottle for each of us, but getting on that way. And Italy seems to be on the point of overtaking Spain as our second biggest supplier.

Supermarkets

What seems to have surprised the Institute is the manner of this expansion, with supermarkets joining in by taking wines that will cost over £1 a bottle retail, as well as the encouraging sales of the 2-litre and 1½-litre sizes. The policy to encourage the import of Italian bottled wines is also paying off.

The trattorias of London and other cities have played their part in making Italian wines better known, and the Institute reckons that they are now beginning to feature more on the wine lists of the superior hotels as well as on the shelves of Tesco and Marks and Spencer.

In the view of many in the trade, Italian wines have only touched the fringe of success. Most of the promotion so far has been done in the South East of England, leaving large areas of fertile marketing ground still to be cultivated. One estimate reckons that even in the South East there is capacity for 100 per cent growth over the next few years.

Colin Jones

Left loses to new Labour alliance

By Rupert Cornwell, Lobby Staff

HE NEW ALLIANCE of oderates and trade unionists on bour's policy-making national ecutive won further victories ainst the Left yesterday, pecially on the key issues of ether sitting MPs should come automatically for re-selection fore each general election.

he emerging joint front, ich has the Prime Minister in anks, also won the right for David Basnett, the TUC eneral, to tell a key Labour inittee what he feels is wrong h the structure of the party.

eft-wingers were drawing e comfort last night from the that the full-scale inquiry ght by some moderates still ks a fair way off. Not only , but Mr. Callaghan as well, aware of the danger of wash- dirty party linen in public n a general election might be he offing.

ut Mr. Basnett seems certain spell out to the organisation committee some embarrassing vances, notably what many mists see as the NEC's failure represent Labour opinion in country and extremists' tryism" in the constituencies.

he prospects now are that re- ction will be shunted off to an orate working party, meaning the pledge made at last ober's party conference that it ld have detailed recommenda- s to approve in 1978 will not kept.

r. Ian Mikardo, who made the uise at Brighton, and other wingers would have none of But after opposition, led by Prime Minister and Mrs. ley Williams, the moderate n alliance won the day by 14 to 11.

Callaghan suggested that Mikardo might have mis- ed the mood at Brighton and ed out that his own consti- cy party in Cardiff was st the idea while Mrs. ams argued that the threat election could make MPs as local activists wanted.

e unions, too, are deeply un- y at the idea of automatic ection. As Labour's biggest der of funds and sponsors any MPs, they are appalled e idea of a man they are ng being thrown out later s constituency party.

anwhile, Labour's finances next year look none too g. Mr. Ron Hayward, general tary, said yesterday that gh the party's 1978 budget ured to be a few thousand ds in surplus, it had taken count of likely pay demands Transport House staff. The outcome would be a deficit p to £100,000.

EEC poll decision postponed

By Rupert Cornwell

TH LITTLE hope now of ct elections to Europe until at the earliest, Labour ers yesterday put off the y decision on whether the should officially agree to part in them.

ery sign is that the National utive Committee will happily off as long as possible any ssion which would produce ved clashes between pro- peteers and the anti-EEC rity on the NEC.

e suggestion to postpone the ect was moved by Mr. Eric , MP for Walton, and ded by Mr. Anthony wood Benn, Energy Ssecre- both of them staunchly le to the Common Market.

en the party does get d to direct elections, it will der two prepared resolu- one will declare the NEC's l opposition" and the other party's opposition in prin- but with a commitment to the elections if the Bill gets gh the Commons.

Jobs creation cost estimate

Financial Times Reporter

LATEST estimate of the l cost of the job creation amme by the time it ends end of next year is put at .

figure was released yester- y Mr. John Golding, Under- tary for Employment, ing to a number of Com- questions by Mr. Ralph l (C., North Norfolk).

Golding explained: "The cost of the programme, account of savings in security and unemploy- benefits, National Insur- contributions and taxes, would normally revert to Exchequer, is estimated to out £75m.

added that the net cost per reated is about £675 and erage duration of a job l 31 weeks.

ring to the growth cost of ork experience programme, Golding said this was esti- at £4,905,000 up to the of September this year. worked out at a net cost 989,000. The net cost per was £212 for a 26-week d.

Czech defector's claims should be probed—MP

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

A DEMAND was made in the Commons yesterday that a special Select Committee should be set up to investigate allegations by Joseph Frolik, formerly a senior officer of the Czech Intelligence Service, of meeting which he claimed to have had with British trade union leaders.

Raising the matter in the Commons, Mr. Stephen Hastings (C, Mid Bedfordshire) declared: "If he is to be believed, Frolik was deliberately seeking to recruit trade union leaders to serve the interests of the Czech intelligence service."

Mr. Hastings told the House that Frolik defected to the West and reached the U.S. in 1969. He had served from 1964 to 1966 under cover as a labour attache at the Czech Embassy in London.

According to Mr. Hastings, Frolik's target was NATO headquarters in London but he was not particularly successful and "decided to try his luck among trade union leaders, instead."

Mr. Hastings referred to a book which Frolik had written, tapes he had made and evidence he had given to a sub-committee of the U.S. Senate. From these sources, said Mr. Hastings, distinct statements were made about British trade union leaders.

Summarising these, Mr. Hastings said that in 1963, Frolik met the late Ted Hill (later Lord Hill) of the Boilermakers' Union. At Hill's house, he met a Russian, Nicolai Berdenikov, ostensibly Soviet labour attache, but, according to a Frolik, a lieutenant-colonel in the KGB.

Mr. Hastings said that when Frolik sought permission from Prague to recruit Ted Hill for intelligence purposes, he was told "Hands off. That particular mare is being run from another stable close by."

Mr. Hastings said that Frolik next started to cultivate Mr. Jack Jones. The MP quoted Frolik as saying in his book "But such things cost money. My expenses started to mount. They were forwarded to Prague whence, a little later, I got the brisk order 'Drop the Jones project, he's a horse of friends'. Again I had bumped into one of the Russian colonel's contacts."

Mr. Hastings told the House that Frolik was later introduced to Ernie Roberts, then assistant general secretary of the AUEW, now a prospective Labour candidate.

He said that Roberts invited Frolik to a party and asked him "Where is Nicolai?" Frolik took this to be an allusion to Berdenikov. Mr. Hastings added that Berdenikov later told Frolik "Joe, keep your hands off Roberts. You can see him socially but that is all, you understand?"

Later, said Mr. Hastings, Roberts introduced Mr. Hugh Scanlon to Frolik saying "You remember the friend I spoke to you about, here he is." Soon after this, Frolik was forbidden by Prague to have any further contact with British trade union leaders.

The Conservative MP agreed that trade union leaders, by the nature of their work, were required to meet Soviet and Communist diplomats socially. But he thought that the depth and intimacy of the relationship described by Frolik were of another order.

"Moreover, they indicated a remorseless attempt by the KGB to subvert men who wield, or wielded then, immense destructive power in this country," he commented.

Mr. Hastings added that Frolik was not alleging that any of the union leaders he named were spies. The word he used was agent. Also, he had no evidence that the Russians succeeded in their aims.

New Stonehouse inquiry call

BY IVOR OWEN, PARLIAMENTARY STAFF

A NEW INVESTIGATION into allegations by Joseph Frolik, a Czech defector, that John Stonehouse, the former Labour Minister now serving a prison sentence, was a spy for Czechoslovakia, was demanded by Conservative backbenchers in the Commons last night.

Mr. Peter Blaker (C., Blackpool S.) claimed that evidence now available suggested that a statement made by Sir Harold Wilson when Prime Minister in December, 1974, exonerating Stonehouse from the spy allegations was wrong.

It had now been stated, he said, that three months after making the statement, Sir Harold sent a high official of MI5 to the U.S. to apologise to Mr. Frolik.

Mr. Blaker argued that if Sir Harold had been wrong to exonerate Stonehouse, there were some far-reaching implications to be drawn.

Mr. Michael Foot, Leader of the House, intervened to suggest that any evidence available to Mr. Blaker should be submitted to the proper authorities and not raised on the floor of the House.

Mr. Blaker retorted: "I am saying that what evidence is available should be subjected to a careful and independent investigation."

Supporting the demand for an investigation, Mr. Cranley Onslow (C., Woking) contended that the explanation offered by Stonehouse of what he described as the "Czech spy story" in his book, "Death of an Idealist," was at the very least suspicious.

He believed that the statement made by Sir Harold on the Stonehouse spy allegations had been misleading. "I believe this must be cleared up," he insisted.

Forestry needs new tax incentive, says peer

BRITAIN IS producing fewer trees than any country in Europe, Lord Taylor of Gryfe, a former chairman of the Forestry Commission, said in the Lords

Calling for expansion of the forestry industry, Lord Taylor said we were the least-forested country in Europe. We were one of the largest importers of wood and wood products. Ninety-two per cent. of our needs came from abroad and our import bill was £2,154m.

Lord Taylor, now chairman of a forestry company, said that tree-planting in Scotland's private forests had fallen to one-third of the 1973-74 total.

He blamed this on uncertainty about Government taxation policy. "There are no votes in forestry. Its constituency is nationwide and its electors are scattered."

Lord Taylor welcomed recent concessions in capital transfer tax on forestry but urged that these should be taken further.

Anyone who invested in an industry with a return of only 3 per cent. a year and got his first revenue after 20 years, with the first thinnings within the forest, required some incentive in the form of appropriate tax treatment.

Earl Ferrers, from the Conservative front bench, said that the Government's plan to split the forestry industry into pieces in its devolution proposals was "crazy."

State forestry, under the control of the Forestry Commission was to retain a unified structure, while the private sector was to be split into three, with control devolved to the Scottish and Welsh assemblies.

Lord Mackie of Benshie (L.) said that a great deal of education needed to be done on the integration of forestry with agriculture.

The Earl of Bradford (C.) complained: "Private forestry has suffered five years of being battered and clobbered. The cause is the lack of understanding of the real nature of forestry among politicians, civil servants and particularly the Treasury."

Lord Burton said he had planted over 4,000 acres since the war but now there was the threat of confiscation by a possible Scottish Parliament, taxation, and the recession in the timber market.

From the cross benches the Earl of Perth said that a proper forestry policy would provide employment and energy when North Sea oil began to run out in 30 years time. The amount of land under trees should be doubled in the next 20 years.

Lord Dulverton (C) president of the Timber Growers Association, said that to devolve responsibility for forestry would be "something like a disaster."

Britain's timber processing industry was in real danger of collapse and neded to be protected against cheap imported products. A modest investment of money from North Sea oil could be "one of the best things we ever did."

Lord Peart, Lord Privy Seal, replying, said that the Government had tackled problems of taxation raised by the forestry industry. He would make representations on the points raised in the debate, which would be carefully and sympathetically considered.

Lord Peart added: "The prophets of doom about the future of forestry are likely to be proved wrong by the resilience of the forestry industry and the flexibility of Government policy towards their needs."

On forestry and devolution, he said that as the Lords would shortly be considering the matter, it would not be appropriate to enter into a debate on the details of the proposals.

Foot agrees to talks on planning controls

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

THE GOVERNMENT is to withdraw the Order which would have implemented controversial proposals for relaxation of town and country planning controls from January 1.

In a surprise announcement in the Commons yesterday, Mr. Michael Foot, Leader of the House, said that discussions would now have to take place to decide whether the proposals should be brought forward at a later date.

The intention of the Order was to reduce the annual total of planning applications by between a tenth and a fifth. It raised the limits on extensions to private houses and industrial buildings and exempted the conversion of houses into separate homes. In addition, it gave local authorities greater discretion over listed buildings.

The proposed relaxations came under fierce criticism from Tory MPs earlier in the week. There were complaints that it could mean that a householder would have no right of redress even if a factory were erected in a neighbouring garden.

The order was subject to negative resolution in the Commons. This means that it would have been implemented automatically on January 1 unless MPs were able to vote on a "prayer" opposing it before Parliament rose for Christmas at the end of the week.

MPs had protested that the Government was refusing to allow time for debate, thus making a nonsense of Parliamentary procedure.

Mr. Foot's concession came yesterday when the matter was again raised in the Commons by Mr. Ronald Bell (C., Beaconsfield). The Leader of the House admitted that the order was being withdrawn in response to the many representations that had been made about it.

Mr. Bell told him that it was a matter on which there were very strong feelings on both sides of the House, but said that he was immensely encouraged by Mr. Foot's reply.

Some local authorities have argued that the order would make the log-jam of planning applications even worse. Conservationists were unhappy about it on the grounds that it would threaten historic buildings, conservation areas, and national parks.

Thatcher to speak in Scotland

BY OUR SCOTTISH CORRESPONDENT

MRS. MARGARET THATCHER, Leader of the Opposition, is to address a major conference on industrial and economic policy, organised by the Scottish Conservative Central Office, in Glasgow next month.

Her speech will open the conference on January 9 and there will be contributions from Sir Keith Joseph, Conservative Industry spokesman, Mr. James Prior, party spokesman on employment, and Mr. Edward Taylor, shadow Scottish Secretary. The chairman will be Viscount Weir, chairman of the Weir Group.

Over 3,000 terror suspects

POLICE HAVE detained 3,017 people in Britain under the prevention of Terrorism (Temporary Provision) Acts since 1974, Mr. Merlyn Rees, Home Secretary, said yesterday.

This included 735 on Merseyside and 720 by the Metropolitan Police, he told Mr. Kevin McNamara (Lab., Hull Cent.) in a Commons written reply.

Mr. Rees that that 115 of those held had been charged in Great Britain, 25 returned to Ulster to face charges, and another three to the Irish Republic to be charged.

Another 95 people had been deported under exclusion orders, 71 to Northern Ireland and 24 to the Irish Republic.

Authors' Bill plea by MP

THE GOVERNMENT was urged yesterday to help speed through a private member's Bill on public lending rights for authors.

In recent years, similar measures have failed through lack of Parliamentary time.

Mr. Hugh Jenkins (Lab., Putney), a former Arts Minister, said that such a Bill was seriously overdue.

Travel survey in spring

THE NEXT national travel survey will begin in the spring of next year and cover 15,000 households in Britain at a cost of about £400,000, Mr. William Rodgers, Secretary for Transport, said last night.

EEC road haulage rules for discussion

By Ivor Owen, Parliamentary Staff

PROBLEMS FACING some sectors of the road haulage industry with the introduction on January 1 of new EEC regulations governing drivers' hours are to be discussed to-day at a meeting between representatives of employers and trade unions and Mr. William Rodgers, Transport Secretary.

The regulations require that certain classes of heavy articulated lorries must not be driven on continuous journeys of more than 450 kilometres unless fitted with a tachograph or operated by a double crew.

In question-time exchanges in the Commons yesterday, Mr. Norman Fowler, Conservative transport spokesman, protested that the employment of two drivers as an alternative to the fitting of a tachograph would simply push up costs.

Hard line

He called on the Minister to make clear what help the Government was prepared to give in overcoming difficulties with the trade unions, so that tachographs could be introduced on a voluntary basis.

Mr. Fowler described the statements so far made by the Government on the tachograph issue as "totally unsatisfactory."

Mr. Rodgers replied that the view of the industry remained to be seen. He was not sure that the representatives of the employers and trade unions would take such a hard line as Mr. Fowler.

When Mr. Peter Fry (C., Wellingborough) complained that a whole plethora of EEC regulations on maximum loads, as well as drivers' hours, was posing a threat to the future of the road haulage industry, Mr. Rodgers commented: "It always claims to be coming to a sticky end, but it never does.

"I think it will overcome its present problems, however much it may complain about them meanwhile."

Mr. John Horam, Transport Under Secretary, rejected suggestions that the large amount of maintenance work required on the motorways implied that their original construction was "some what substandard."

The true position, he maintained, was that the design life of the motorways built early in the 1960s was coming to an end.

TWO MEN'S 'HOLY WAR' AGAINST THE LEFT

Labour's nightmare at Newham

BY RUPERT CORNWELL

THERE IS a very good moment in the film Butch Cassidy and the Sundance Kid when Robert Redford and Paul Newman, having fled halfway across America, look back and spot the tiny figures of their implacable pursuers far below in the sierra. They turn to each other in bewilderment: "Just who are these guys?"

And however improbable the comparison may appear, that feeling of bafflement and despair sums up perfectly the mood of top Labour Party officials at Transport House at the goings-on in Newham North East.

Their tormentors of course, are not a sheriff's posse, but two Oxford graduates who, by Court action after Court action, have relentlessly spun a legal web around the party and reduced proceedings in the constituency to chaos.

In the past year or so, events at Newham have bled Labour's hard-pressed finances of £17,000 at the very least; and, in the view of some, it just needs one or two more adverse High Court decisions to put the rules and structures which have served the party for almost 50 years at the mercy of any determined political adventurer.

Once upon a time, the campaign to save Mr. Reg Prentice, MP for Newham, from an undignified ejection by Left wingers was little more than a joke. To-day, the names of Paul McCormick and Julian Lewis, the Oxford men in question, elicit dismay at Transport House — coupled with the prayer that a kindly High Court judge will put an end to the misery.

To the uncommitted, the sight of the two men using the rule book ruthlessly to beat the Left at its own game was hugely amusing, while the Tories have taken extra delight in the defection of Mr. Prentice to their cause. But for Transport House, which felt that the MP's troubles were largely self-inflicted, any humorous side the affair might have had has been transformed into a nightmare.

It would take too long to recount the battle in detail. But in the 14 months since Mr. Lewis took a bedsitter in the constituency and had himself elected to the general management committee there, the Left has appeared more than once on the point of losing its grip. The outcome will not be clear until, as Mr. Reg Underhill, the national agent, now in charge of Newham's affairs, hopes, new local party officers are elected next February.

MR. REG UNDERHILL
Bearing the brunt

In the meantime, though, former Newham officers Mr. Underhill, Mr. Ron Hayward, Labour's general secretary, Andy Bevan, the controversial youth officer, and eight (Left-wing) members of the National Executive Committee have found themselves on the wrong end of writs and court cases. To that minimum cost of £17,000 must be added £3,500 so far paid out of an appeal to meet the expense of defending Lewis's injunction to halt the February, 1977 annual meeting at Newham from which most of the subsequent trouble has stemmed.

Last month, the two saboteurs actually lost a judgment, when Bevan, who has played a key role in the Left's struggle against Mr. Prentice, was cleared of contempt for attending a reconvened and subsequently violent GMC meeting on September 28. But an appeal has been lodged and, if it is upheld, the bill could swell by a further £20,000.

Here, Paul Newman's anguished question arises again. Who are Lewis and McCormick? Why this "holy war" against the Left? And, most intriguing of all, where does their money come from? They became involved in Newham in early 1976 after Mr. Prentice visited Oxford where they are researchers in politics. Both had fought lonely battles as student Labour moderates against the Left, and Lewis, in fact, defeated Andy Bevan for chairmanship of a Swansea school debating society.

They say they are merely taking on the extremists at their own game, as the only means of driving out Marxist infiltrators; and in a letter which appalled NEC members last week, they are threatening to carry the Newham fight into other constituencies. At a possible £10,000 or £20,000 a throw, it is not a prospect Transport House can contemplate lightly, especially against such masterly litigants.

Lewis and McCormick insist that there is no sinister source of funds, only the backing of those who sympathise with the "Campaign for Representative Democracy."

Matters have reached a stage where, at Westminster, not even the most Right-wing Labour MP is to be heard speaking up for them.

But despite this growing view that Lewis and McCormick may have overplayed their hand, the NEC yesterday did not dare attempt to cut the Gordian knot by suspending them from party membership. Transport House knows it could well emerge more entangled than ever if the two carried out their threat to fight expulsion through the courts.

Not least of its problems is the sheer amount of time and energy devoted by sorely stretched staff to Newham. "I just don't understand what they want," said one senior official. "If these people intend to dislocate the Labour Party, they're not far short of doing it."

Of even more fundamental importance, however, is the appeal by its opponents against Mr. Justice Pain's ruling for Transport House over the September 28 Newham meeting, due to be heard early in the New Year. It is not far fetched to say that the point at issue is who is the final arbiter of the Labour party rules: the NEC, which has done the job since the present party constitution was drawn up in 1929, or the courts?

This announcement appears as a matter of record only.

November, 1977

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Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

Part of a model of a £100m. fertiliser plant for Pakistan, built by Snamprogetti of Basingstoke, Hants., is seen here being encapsulated in protective polystyrene granules at the Woolwich, London, depot of Alltransport International Group prior to despatch by air. The plant is being constructed by Snamprogretti for Paksaudi Fertilisers on an 80-acre site at Mirpur Mathelo and is due for completion towards the end of next year.

● PACKAGING

Square pack solves can problems

DRG (U.K.) has reached agreement with Zupack GmbH of West Germany for the sole selling rights in Western Europe of the "Zupack" carton system for motor oil and related products for the automotive industry.

This is a method of selling motor oil in semi-rigid containers in sizes up to one litre, which offers garages considerable advantages in terms of storage, presentation and disposal of empty packs while providing supermarkets and other retail outlets with an ideal pack for shelf use.

During the autumn of 1976 DRG in South Africa and Castrol held a market evaluation in The Rand, one of the company's largest markets in that country. This entailed a trial marketing of some 15,000 units of 500 ml. Castrol GTX and the outcome clearly showed a good acceptance at the service station. It also further underlined the cost advantages to be gained by the Zupack carton system which has now been adopted commercially by Castrol at two filling plants in South Africa.

Promotion and selling of the system in Europe will be handled by DRG Flexible Packaging, Bristol, who will manufacture the material. Servicing and machines will be the responsibility of Zupack (U.K.) and Zupack GmbH, of Darmstadt, Germany.

The Zupack is a rectangular non returnable self standard container offering a 30 per cent. saving in shipping volume compared to an equivalent capacity can.

Material specification is a coated aluminium foil/semi bleached board lamination intended to provide an effective weather resistant, semi rigid container for oil and related products.

Rectangular shape provides an easily stackable container with an excellent surface for displaying the company logo and oil grade. The packs may be fully printed by flexo or gravure against an alumium foil background.

The pack is opened by cutting the distinctive ears on top which then form a natural pouring spout allowing the oil to be emptied without splashing and although the Zupack is only 20 per cent. of the weight of a can it retains sufficient rigidity when opened to allow the contents to be poured easily. Empty packs may be crushed in the hand for disposal by waste collecting services and if required may be incinerated.

DRG Flexible Packaging, Filwood Road, Fishponds, Bristol BS16 3RY. 0272 656232.

● NAVIGATION

Three mile landfall

CMA-740, latest version of the Omega navigation system supplied by Marconi-Elliott Avionic Systems has been selected for installation on three types of aircraft, to be operated by both home and export customers. Further sales of the system are expected to follow soon.

The hyperbolic radio navigation system, which is marketed by the company's Airadio Products Division, Basildon, Essex, automatically provides continuous position information in an aircraft, anywhere in the world, using the VLF signals transmitted from the existing global network of Omega ground stations. The low cost of the computerised equipment (less than one third that of inertial navigation systems), is bringing about an upsurge in Omega operations.

Hawker Siddeley Aviation has selected the CMA-740 system for the Coastguarder, latest variant of the HS 748 equipped for search and rescue and maritime surveillance roles, for which an important export demand exists.

Monarch Airlines, the British independent world-wide charter company, has also ordered the CMA-740 for installation in its fleet of Boeing 720B aircraft.

Customers for the new twin turbo-fan version of the HS-125, the Series 700, have ordered CMA-734 Omega systems, the version produced to meet general aviation requirements. The equipment will be installed at Hawker Siddeley's Chester plant prior to aircraft delivery.

CMA-740, manufactured by the Canadian Marconi Company, comprises a receiver-processor unit, a keyboard type control and display unit and an antenna coupler. A standard orthogonal loop antenna is also available. It can give a positional accuracy en route, independent of time, of better than 3 nautical miles and can operate anywhere in the world.

Based on reliable microcircuit components, the CMA-740 is more economic to purchase and maintain than previous airborne Omega systems.

● PROCESSING

Reactive material mixer

A NEW type of mixing head for two-part resins and other types of reactive materials is available from Liquid Control of Kettering, Northants. The gun can accommodate either a rotary or a static mixing element, and is of particular interest to universities and other users who are carrying out research into different resins.

The mixing head, designated the 300 series, was developed in the U.S. by Liquid Control Corporation. American subsidiary of Liquid Control in the U.K. It will be imported by the parent company, and U.K. sales will be handled by the group's U.K. sales network.

Made of cast aluminium, the head has been designed to eliminate as much pressure drop as possible to allow a relatively high throughput of even the most viscous compounds.

A close tolerance pneumatic mixer keeps the mixed volume in the head to a minimum, thereby allowing the mixing of very fast reacting materials. The resin and catalyst inlet ports have been located as close to the mixer as possible, allowing faster flushing with less waste, and a straight-through flow. By placing the high-torque air motor in the drive centre, better balance is achieved with greater manoeuvrability.

Liquid Control, 25, Harcourt Street, Kettering, Northants NN16 0RR. 0536 81491.

● ELECTRONICS

Turnaround at Sinclair

AFTER THE traumatic experiences involving the Black Watch digital wrist watch in 1975-76, resulting in a loss of £335,000, Sinclair Radionics—now 73 per cent. owned by the National Enterprise Board—has, according to chairman Clive Sinclair, turned the corner.

Turnover is now running at the rate of £7m. per annum, and the company is operating profitably, although to what extent he did not say. Sinclair also believes that further injections of money will not be necessary.

The happier picture is due to a number of changes in policy, including a shift away from the calculator/watch market towards miniature TV and digital measuring instruments for industry. Already TV accounts for 40 per cent. of turnover; calculators have dropped to 40 per cent. and instruments are at 20 per cent. The other major change is to move most of the manufacturing from five subcontractors to an inhouse operation.

There is now a 150-strong direct labour work-force at the St. Ives plant, split about equally between television and calculators. Multimeters are made by a single, remaining sub-contractor, and the recently-introduced President calculator is assembled in Hong Kong.

Full-scale production lines for the two-inch television receiver have been set up, with through put programmed at 4,000 per month. It is hoped to double this by the end of next year, but, as yet, the rate does not warrant installation of automatic assembly and test equipment. At the moment nearly 80 per cent. of the production is going to the U.S., where it is difficult to meet the demand. The rest of the world—including, it seems, the U.K., is virtually untouched.

Plans for 1978 include rapid expansion of TV output production, and exploitation of the "enormous" potential that exists in industrial applications for it.

The instrument division plans to introduce three new models, including a 4½ digit, 0.1 per cent. accuracy meter with autoranging for about $200. There are also intentions to launch a number of new calculators. Predicted split, for 1978, in turnover terms is television 50 per cent., instruments 20 per cent., calculators 30 per cent.

GEOFFREY CHARLISH

● REFRIGERATION

Portable cold store

BUILT IN three lengths—7, 9 and 11 metres, and in alternative widths of 2.4 and 3 metres, a range of portable cold stores has been launched by Watford Refrigeration.

The unit is delivered as a complete package, and on arrival on site all that is required is connection to a suitable electricity supply. For the small site the store can be divided into two compartments, with one maintained at about 4 deg.C for general provisions and the other at −20 deg.C for keeping deep frozen produce. Other temperatures can be chosen.

Storage capacities range from 25 to 27 cu. metres, but it is possible to remove one long wall from the units and bolt them together in double or triple combinations. The refrigeration equipment is in locked compartments within the cold store structure.

The 7 meter unit can be lifted by a five-ton crane (available on most construction sites) and final positioning is by tractor attached to the reinforced skid of the sub-frame.

More from the maker at Wiggenhall Industrial Estate, Watford, Herts. WD1 8AW (Watford 27726).

● INSTRUMENTS

Impact made overseas

ANNOUNCING its 10th and 11th new instruments this year—and planning to introduce another nine in 1978—Gould Advance continues as one of the brighter stars on the U.K. instrument horizon with the sales this year of its instrument division nudging £6½m. (compared with £3m. in 1975) and profit at 11 per cent. of sales.

The result is noteworthy since although the Hainault company is owned by the giant Gould concern in the U.S., the instruments are entirely designed and made in the U.K. and do not draw on the parent company's technology.

Moreover, Gould Advance has just set up its own 15-strong network of representative companies in the U.S. and plans to achieve sales of $2m. to $3m. in 1979. In addition, its oscilloscopes are marketed by Ballantine in the U.S., Kikusui in Japan and even with a Siemens label in Germany.

One of the newly launched products is the DMM9, a 4½ digit multimeter incorporating a seven segment liquid crystal display, 0.05 per cent. accuracy and true root-mean-square measuring facilities. It has 28 ac and dc voltage, current and resistance ranges and is available with probes for temperature, radio frequency and high voltage measurements.

The other new unit is the TC321, a universal counter-timer with a five digit Beckman gas display providing characters nearly an inch high. It offers frequency, multi-period averaging, pulse width, counting, totalising and event counting measurements.

● COMMUNICATIONS

ITT move on facsimile

DESPITE the sluggish state of the business facsimile market, it is expected that in the very near future, ITT Business Systems will announce the conclusion of an agreement with an unidentified partner to sell the latter's business facsimile equipment throughout Europe.

Rumour has linked Muirhead with the move, but this is denied by a spokesman for ITT, who declined to go any further, however.

The addition of a new contender to the U.K. market where Plessey, Muirhead and Kalle Infotech, inter alia, have been battling for a relatively small market which, as in many sectors of business operations, is overshadowed by the entrenched might of Xerox, leaves much to be understood.

But if ITT Business Systems is what it proposes to be—the new centre providing all the aids to efficiency management could possibly require—then facsimile must be one of the aids it provides, however long it may take the business community at large to realise how important this method of communication could become.

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Advertising and...

AGENCY PROFITS

A very good year

BY JAMES O'CONNOR

THERE CAN BE no doubt about it. Advertising agencies have had a good year for a change—in profits, productivity and people. This heartening thought is especially gratifying to me as I end my quarter of a century with the Institute of Practitioners in Advertising, most of those years as Director.

Statistics just produced by our computer suggest that prospects for agencies are better now than at any time since the gloomy days of the early 1970s when net profits before tax twice hit an all-time low of around 1.5 per cent. on turnover. To-day, I am glad to say, the situation is much brighter with the figure climbing to 2.0 per cent. in 1976 and an estimated 2.4 per cent. this year. Profit as a percentage of income—which some agencies now more commonly use as their yardstick—is now estimated at 15 per cent. Both figures are slightly up on the estimates I gave for 1976 this time last year.

Although profitability figures for 1977 can only be estimates at this stage, billings of IPA agencies are likely to come out at about £925m., a 20 per cent. increase on the 1976 figure of £762m. In turn, we estimate that gross incomes have increased by 23 per cent., as against the low of 15 per cent. last year, with expenses increasing by 18 per cent.

It is on these estimates that one can safely forecast an improved profit level of up to 2.4 per cent. this year, comparing favourably with the 2.0 per cent. of last year and returning to the levels of earlier years.

Coming back to 1976, the picture as regards people in IPA agencies is also very encouraging: the 13,300 figure that we have seen for the last two years has now risen to 13,900. That may not seem significant on the surface but does represent a halt to the downward trend over many years first stemmed in 1975.

Now, translate these two figures—billings and people—into estimated productivity per head and you get a figure of £67,000, another improvement on the 1975 figure of £57,000 even allowing for inflation. (Large agencies, especially those in London, have a higher productivity ratio than this).

Such results can only be achieved by careful attention by every agency to "good housekeeping." Costs, especially payroll, rents and so on, have been kept within bounds, and it is to the credit of every managing director that this productivity has been achieved.

Why has the agency business done so well? I suppose the obvious answer is that advertisers are spending more, in tune with a general uplift in the economy and an increase in overall business confidence. Couple that with the improved efficiency of agencies in all areas and you arrive at the far brighter profitability picture.

Looking in detail at the 1976 figures drawn from the annual analysis of agency costs, total turnover of IPA agencies was £762m., considerably better than the estimate we made this time last year. Gross income expressed as a percentage of turnover was 16.3 per cent. for consumer agencies (16.1 per cent. in 1975) and 19.5 per cent. for industrial agencies (19.1 in 1975), indicating that the growth rate in the industrial sector is slightly better than in the consumer field.

Both London and outside-London agencies improved their position in gross income as a percentage of turnover with the figures for agencies in the capital in 1976 moving up from 15.9 per cent. to 16.1 per cent., and regional agencies from 19.6 per cent. to 19.8 per cent. Total gross income of all IPA agencies together continued its upward trend from £105.4m. in 1975 to £124.7m. in 1976. The estimate for 1977 is £151m.

One unwelcome trend, however, is that income from fees and other sources of income has fallen, while commission income (as a proportion) has therefore gone up. Compared with 1975 over 1974, when the percentage of income from fees rose by 6.9 per cent., it fell by 4.3 per cent. in 1976 over 1975. Commission income of agencies climbed from 63.1 per cent. of the total in 1975 to 67.4 per cent. last year.

London agencies increased their profits in 1976 to 2.0 per cent., a very good improvement on the 1975 figure of 1.5 per cent., while out-of-London agencies' profits remained at the 1975 level of 1.9 per cent. This does indicate, I think, that in London, managements have overcome escalation in costs by adopting stringent economies all round, and it is to their credit that they have done so well.

Bad debts were lower at £875,000 (£1,014,000 in 1975)—another indicator that agencies have applied their terms of contract much more rigidly to produce a healthier all-round economic picture.

IPA AGENCIES' TURNOVER AND PROFITS

	Turnover (£m.)	Income (£m.)	Pre-Tax Profit as % of Turnover
1960	225	34	2.9
1964	316	48	2.5
1968	375	60	1.9
1970	405	66	1.5
1971	420	69	1.8
1972	492	80	2.6
1973	578	91	2.4
1974	603	97	1.8
1975	650	105	1.5
1976	762	125	2.0
1977*	925	151	2.4

* Estimate

DDB and Allied part company

DOYLE DANE BERNBACH has resigned £800,00-worth of Allied Breweries business after profoundly disagreeing with Allied over the development of a new campaign for Ansells bitter, writes Michael Thompson-Noel. Colin Cadman, DDB's managing director, said last night that the agency's projected billings for next year had now been adjusted to £16m. but that it would make every effort to win a new drinks account.

The business DDB has resigned covers Ansells, Tetley and Ind Coope. According to Mr. Cadman: "The campaign developed for Ansells, the Ansells Bittermen, is a classic marketing case history in transforming attitudes to the brand and helping to boost sales nearly five-fold despite being heavily outspent by its main competitor."

However, over several months DDB has been unable to get Allied's agreement to a new Ansells Bittermen campaign and was asked to provide an alternative.

"In view of the unarguable sales success this did not seem to the agency to be commercially right for either party," says Mr. Cadman.

● INTERTEAM McCANN, the newly-created overseas division of McCann-Erickson, has won the £500,000 Kuwait Airways account for Europe and North America. The division now has 11 clients and billings of £6m.

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"The Wall Street Journal is the only national business daily newspaper in the United States and was therefore the obvious choice of medium for the launch of the Rolls Royce corporate advertising campaign for 1977.
The U.S.A. provides up to 80% of the market for Rolls Royce commercial Aero Engines and is a significant buyer of the company's military Turbofans. We regard The Wall Street Journal as an essential part of our campaign to make the United States business community more aware of the great depth of engineering technology that is Rolls Royce."

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We have 1060 offices, branches and agencies throughout Belgium. Abroad we have a worldwide network through subsidiaries, affiliated and associated banks, as well as representative and joint representative offices in several countries, in particular with our ABECOR partners, the Associated Banks of Europe.
This year we started our first international corporate advertising campaign, one of the main objectives of which is to make ourselves known in leading business and financial circles throughout the United States.
In view of the wide circulation enjoyed by The Wall Street Journal at top executive levels, we chose it as our sole advertising medium in the United States for 1977."

The Marketing Scene

Frisbee reaches for £1m.

BY MICHAEL THOMPSON-NOEL

AT 39, MAUREEN FAULKNER has blossomed into a remarkable businessperson: an attractive, raven-haired ex-senior lecturer in education at London University whose dark eyes radiate misleading gentleness. Three years ago, when she and her husband David, an ex-McKinsey consultant, set up The Frisbee Company under licence from the Wham-O Manufacturing Corporation—the toy and sports equipment giant of San Gabriel, California—she knew nothing about pricing or distribution or selling.

But now she does.

To-day—self-taught in the ways of marketing, and astonishingly successful—she is sitting pretty as marketing director of a company whose sales of Frisbees and other sports goods have pushed turnover from £100,000 to £600,000 in 36 months. Next year it should be £1m.

Impressed with the company's scope for expansion, particularly in Europe, Charterhouse Development Capital, the company formed last year by the Charterhouse Group and major pension funds and insurance companies to provide capital for likely-looking unquoted and smaller quoted companies, has now invested £80,000 in the Frisbee holding company, Faulkner and Co. (Sports and Toys).

It all began by accident. Three years ago Mrs. Faulkner, a sociology graduate, was lecturing away happily when an ex-student of hers, Klaus Albrecht, a young German, told her he had the Wham-O Frisbee licence for the whole of Europe. However, the holders of the British and Irish rights were in trouble. Did she know anyone who would take them over?

Rather to their own surprise, the couple said they would do so themselves. They would set up a refurbished U.K. operation for 20 per cent. of the equity, so they formed The Frisbee Company, put in a sales director and a sales team and hired themselves specialist technical advice. The start-up cost was £2,000.

"What rapidly became apparent," says her husband, formerly the business development director at Charterhouse though he has now left and is chairman of Frisbee, "was that Maureen was an extraordinarily talented saleswoman. She'd sell fridges to the Eskimos."

But it became increasingly apparent that if the venture was to succeed, Maureen herself would have to step in and take over the marketing reins, which she did.

But it wasn't all plain sailing. In Year One, Mrs. Faulkner toured all the major stores, scrutinised the sales team and if sales targets weren't being met, fired the men she had hired. She also got married, and she and her husband spent their honeymoon touring sports shops in Wales—they sold 4,000 Frisbees.

"That's how I learnt what selling is about," says Maureen. "But it wasn't easy. One week it looked as though I wouldn't be able to pay the wages. I called on my bank manager at Barclays and discovered quite accidentally that he had a degree in organic chemistry. That's what we chatted about, biology and chemistry and David followed up with a more practical financial discussion." They got a £3,500 overdraft.

In Year One, when turnover was £100,000, the company sold 104,000 Frisbee discs and turned a profit of more than 10 per cent. In Year Two—1976—turnover reached £200,000. The company sold 180,000 Frisbees and 20,000 dual control sports kites. It also moved into skateboards after its eagle-eyed founder had spotted their potential at the Harrogate Gift Fair.

"I saw these skateboards on a stand," she says, "and thought, Jeepers! We were the third-fastest U.K. company to realise the sort of market they represented."

Jeepers was the word. This year skateboards and skateboard safety equipment will account for 40 per cent. of The Frisbee Company's £600,000 turnover. Prices range from the £16.95 Red Devil glass fibre model it manufactures at Kingston itself to a £50 branded U.S. import.

Seven per cent. of turnover will come from sales of Trac-Ball, a Wham-O ball and racquet game, and 11 per cent. from sports kites. The other 42 per cent. will be accounted for by Frisbees, which are still going strong. The range will be extended to eight next year. Already the U.K. Championship Frisbee Disc in gold and black, which retails at £2.50, has sold 12,500 without inflicting the slightest sales injury to other Frisbee segments.

Last month the company bought out Frisbee Germany, and with it all the other Frisbee rights in Europe, which is partly why Charterhouse has put £80,000 into the holding company. (Charterhouse, with a director on the Frisbee Board, has put up £35,000 in ordinary loan stock and a further £45,000 which can be converted into a 20 per cent. Frisbee equity holding at any stage before 1982. Ten per cent. of the Frisbee equity is split between the technical and financial directors; the rest belongs to the Faulkners).

The scope for expansion in Europe looks enormous. In the U.S. at present, Wham-O sells 10m. Frisbee discs a year. According to David Faulkner: "There's no reason why we shouldn't hope to extend sales to 1m. discs in the U.K. and 4m. to 5m. throughout Europe. Our strategy is to take U.S. branded sports goods that have proved a success and make and distribute them over here."

A further opportunity which presented itself, and persuaded David Faulkner to leave his staff job at Charterhouse and join Frisbee full time, came when he was offered the U.K. distribution rights for Spalding. The rights cover the full range of Spalding golf, tennis and squash equipment and will double Faulkner and Company's turnover within the next year. The Faulkner Company will therefore market two full ranges: the relatively way-out Frisbee products and the more traditional Spalding sports gear.

He says Frisbee will position itself firmly in the sports equipment market (worth £70m. in the U.K. at present), and not the toy market, which is probably worth £250m.-plus but is far more volatile and hazardous. It is for this reason that the Hula-Hoop, a Wham-O product that is undergoing a massive revival in the U.S., will be sold and marketed in Britain as a piece of keep-fit equipment, not a toy.

Advertising's testing time

IAN McINTYRE

IS LIKELY that well over £1m. will be spent next year on research into the effectiveness of advertising. It is equally likely that half the expensively-bought findings will be disregarded for reasons of advertising life that while lip service is paid by many companies to the need to test advertising campaigns — or to work out what their effect is—many people in the business fail to make use of the results.

The kernel of the problem, well illustrated at a recent Market Research Society seminar on research and advertising content, is that research is thought by some to interfere with creative flair. The research director of one of London's most creative agencies admitted that when research showed that a newly-launched consumer campaign of a novel type was causing the public some confusion, the findings were not only kept from the client but were withheld from the agency's creative department as well—presumably in case it curbed their creativity.

Another speaker, Alan Hedges, formerly research and marketing director of S. H. Benson and now a consultant, went so far as to state that there is no way in which any known research technique can tell you how good a proposed ad is, or even which of two possible ads is the better.

This is because pre-testing involves artificial conditions, whether it is a hall test (the newest American shopping precincts apparently have a survey room conveniently built in for researchers to use), a personal interview, a simulation of a TV commercial or—another U.S. curiosity—a device which registers emotion in human voices.

Several speakers at the seminar cited examples of pre-testing which had shown either a public preference for advertising which did not work when put into practice, or successful campaigns which would never have been launched if the pre-test findings had been followed to the letter.

Why, then, pre-test at all? Alan Hedges and other speakers thought research was useful if it was a learning process rather than a testing process—a means of helping agency and client to understand the public's needs and produce more successful advertising. "All too often everyone has crossed their political bridges by the time a final evaluative test can take place," said Hedges. "Air dates loom, budgets press. It takes an unusually strong client and flexible agency to consign finished film to the wastebin."

At ICI we have found early research into consumer attitudes of value when we have been considering new kinds of corporate advertising.

In the early 1970s we undertook research to find out what the public understood about company profits. This showed that the concept of companies making a profit was acceptable but that there was a good deal of ignorance about how they were used. Using these facts we developed with our agency, OBM, a series of national Press advertisements which are published on the day we announce our quarterly results, with the theme "ICI puts profits back to work." It is doubtful whether this campaign would have happened without the evidence of the survey.

This year we used research to check a new type of advertising approach. We have been advertising to opinion leaders with some success since the 1940s—most recently with the Robert Heller series of interviews with ICI people. Could we get across the same sort of message to readers of tabloid papers? This time research showed that we would be in difficulties because these readers are not used to getting corporate, non-product, messages in their morning papers, and there is a natural tendency to reject the unexpected.

ICI's practice, since 1969, has been to use the omnibus "Reputation" study by Market and Opinion Research International to monitor year by year how public opinion of the company is changing. The survey—a big one, with 4,000 respondents—produces a mass of information which can guide corporate decisions.

By adding on extra questions we can use the survey to track recall of our advertising, awareness of our slogan and logo, and to check how the public's reception of our advertising varies in different parts of Britain.

Ian McIntyre is Corporate Advertising Manager at ICI.

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ANNUAL GROCER SALES PER HEAD BY NIELSEN REGION–1976

		%
ANGLIA	£176	6.0
LONDON	£175	24.8
SOUTHERN	£174	8.1
SCOTLAND	£160	9.6
WALES, WEST & WESTWARD	£159	10.0
TYNE TEES	£158	5.3
YORKSHIRE	£153	10.3
MIDLANDS	£150	13.8
LANCASHIRE	£136	12.1
G.B. TOTAL	£160	100

Source: NIELSEN

ANGLIA. JUST ABOVE LONDON AND THE SOUTH.

Anglia Television Ltd. Brook House, Park Lane, London W1Y 4DX. Tel: 01-408 2288.

*Source: T.C.A.

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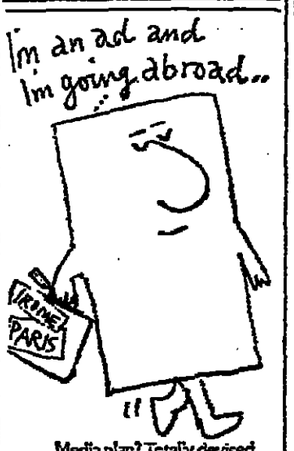

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TVTimes put on over 4,300 readers every day last year

(That's a readership increase of 1,595,000 in the year)

TVTimes readership is up to 11,203,000. That's a 16.6% upsurge in the last year.

TVTimes has the largest magazine readership in Britain. It also has the most responsive readers.

Even though we offered no prizes, 25,000 budding poets entered our Pam Ayres' Poetry Competition. When our Jubilee Silverware Competition *did* offer prizes our postbag was swelled by an astonishing 497,000 entries.

Source: JICNARS NRS Jan-June & TVTimes

15,000 housewives entered a TVTimes cookery competition.
40,000 TVTimes readers entered a script-writing competition.
23,000 TVTimes readers turned up to the TVTimes Gemini Car Club rally at Donington.
20,000 children joined in Stewpot's TVTimes Jam-Jar Safari.
5,000 TVTimes readers submitted original paintings in the magazine's annual painting competition.
12,000 children took part in the TVTimes painting competition to decorate Britain's team bus for last year's Olympics.

TVTimes

For a presentation, call Mike McGrath 01-636 1599

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BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4BY
Telegrams: Finantimo, London PS4. Telex: 886341/2, 883897
Telephone: 01-248 8000
Thursday December 15 1977

The voice of caution

THE LATEST trade figures do not look at all bad. The November surplus on visible trade is larger than that for October, though the latter has been revised upwards; the current balance is in handsome surplus, despite the fact that the estimates for invisible earnings have had to be revised downwards. Taking a slightly longer view, the visible surplus of £170m. for the past three months stands against a deficit of £399m. in the previous three, and the Department of Trade reckons that only about £320m. of this very marked improvement is due to large items that vary erratically from month to month.

If there is no great change in December, there will be a current account surplus for the year of around £250m. and the surplus for the second half will be close to the £1bn. forecast at the time of the last mini-Budget. Not only have we been increasing our share of world trade but, according to the Bank of England, whose new *Bulletin* was published yesterday, we have probably now regained the share lost during 1975-76.

And yet, as we pointed out last month, there are some grounds for concern about the trend of the figures. They can only be tentative, since recent figures on both sides of the account have been influenced by the arrival of North Sea oil installations and the U.S. east coast dock strike.

Volume trends

But if one concentrates on the volume rather than the value of trade in either direction the point becomes clear. The volume of exports has fallen quite sharply from its September peak: even when the last three months (which include this peak) are compared with the previous three, the fall is still plain. On the other hand, imports of finished manufactures (excluding North Sea equipment) have risen by 2½ per cent. in the past three months, those of machinery by no less than 6½ per cent. The performance of exports can be put down to the depressed state of world trade. The rise in imports, at a time when production is running absolutely flat, suggests that the rise may be much larger when activity begins to grow.

The improvement in the trade balance despite these volume trends, is due to a fall in import prices combined with a continuing rise in export prices. Does the latter bring a short-term benefit to the balance of payments while representing a longer-term loss of competitiveness? The Bank of England seems to think that competitiveness may have fallen this year, and a number of companies and business organisations have referred to the upward movement of sterling. But the net upward movement since the decision to float has in fact been small, and the Little Neddy for mechanical engineering pointed out earlier this week that many overseas firms with squeezed profit margins are looking for an opportunity to raise prices.

Consumption

The possibility must be accepted, however, that the growth of exports is held back from now on by the stagnation of world trade while that of imports is rather faster than the growth of total demand. The Bank of England suggests that the non-oil trade surplus will increase much more slowly next year and may increase at all only because of some further improvement in the terms of trade. It is understandably anxious to maintain the surplus for some time and therefore argues strongly in its *Bulletin* for restricting any stimulus to demand and operating fiscal and monetary policy together. The real risk to the Government's medium-term policy, if the Bank's doubts about the outlook for exports and capital investment are justified, is that the coming expansion will be based almost entirely, once again, on higher personal consumption.

Soviet planners face facts

IT IS NEVER a happy situation when nothing increases to plan except investments. Yet his is precisely what is happening to the Soviet economy. Announcements from the Supreme Soviet meeting yesterday suggest that the Kremlin is coming to terms with the fact that their Five Year Plan—now approaching the half-way mark—may have its faults. The 1978 targets announced at the meeting represent a marked scaling down of the growth expectations for the national income, industry, and personal incomes, compared to the projections made when the plan was launched in 1976.

In industry, 1978 was originally expected to produce growth of six per cent.; according to yesterday's figures, this will now be 4.5 per cent. Personal incomes, first forecast at over four per cent., are now to rise by only three per cent. On the other hand, the growth in investment is to be 3.4 per cent. against the earlier forecast of 2.9 per cent. To Western observers, these variations may look tiny. But in an economy as tightly controlled as the Soviet such changes are only made to accommodate major shifts in circumstances, since the Communist Party's prestige depends to a great extent on its Plan.

Disappointment

The cause of the problem is still agriculture, whose disappointing performance this year will be reflected in slower industrial growth in 1978. The harvest was about 10 per cent. below what the Soviet Union needs to feed its population and livestock, and meat production was still at levels prevailing in 1974-75. This must be a big disappointment to the Kremlin, which has tackled the agricultural problem from all angles since the disaster of 1972. Investment in farm machinery and chemicals has been stepped up, the rural road network modernised, and millions of acres of farming land improved. More agricultural specialists have been trained and backward farms are being grouped together into specialised units. But output has, if anything, become even more erratic in the last five years, and this has had a direct effect on the economy as a whole.

It now seems that the Kremlin has come to the view that the Plan itself may be at fault by asking too much of the country's farmers. The Plan originally demanded an annual average harvest of 220m. tonnes. The average for the first two years was 210m. and this means that at least 225m. must be harvested in the remaining years—considerably more than has ever been achieved before. But, instead of going for these high figures, the Kremlin has set a target next year of 220m., which suggests that it has abandoned any idea of reaching the original target, let alone the 235m. tonnes which President Brezhnev mentioned in one of his more buoyant speeches. Because of the close inter-dependence of the various sectors of the Soviet economy, this would explain why industrial growth is to slow down, and why wages cannot rise as fast as planned. If present trends continue, the Soviet economy may be up to a year late in reaching the 1980 target for national income.

Politically, this scaling down could cause some embarrassment. The Party will have to explain what is going on. Meanwhile, the rate of housing construction and per capita consumption of major foodstuffs have all declined since 1975. And, though no reports of unrest have reached the West, there is said to be some demoralisation, particularly among farm workers. Economically, the worrying point is that investment is still surging ahead, despite the slowdown in growth. This is not entirely due to agriculture, whose share of state outlays remains steady. Party leaders also criticise delays in capital construction and waste of materials.

Quality

Meanwhile, the rouble cost of achieving a 1 per cent. growth in industrial production will rise by three-quarters during the current Five Year Plan, judging by its projections. It is no coincidence, therefore, that the Soviet press carries an ever-growing number of articles discussing the need to measure performance not by how many tonnes of machinery are produced but whether that machinery is any good. If the scaling down of output expectations leads to greater attention to quality, then the present difficulties could be something of a blessing.

Ashley Ashwood — Trevor H...

APEX pickets outside Grunwick's gates. Mrs. Desai (extreme right) is one of the original strikers. In the picket line (front from left) are two executive council men of the AUEW, Mr. Hugh Scanlon, the union's president, and Mr. Ken Gill, general secretary of TASS, the white collar section of the AUEW. The other picture is of Mr. Jim Mortimer, chairman of ACAS.

The need to re-shape ACAS

BY JOE ROGALY

THE ADVISORY, Conciliation and Arbitration Service must surely be given new terms of reference and a different set of statutory powers now that the House of Lords has ruled against it and in favour of the Grunwick Processing Laboratories. The direct effect of the Lords ruling on the Grunwick dispute itself will be discussed in a moment, but the broader issue is of such importance that it should come first.

Mr. Michael Foot, when he was Employment Secretary, constructed ACAS, as the service is known, to a design provided by the Trades Union Congress in 1974. It was given a legal identity in the Employment Protection Act of 1975. That brief recital of its short history should be enough to indicate what is wrong. ACAS in its present form is struggling for existence in a world that is quite different from the one in which it was born. The most apt translation of its initials would be "Anachronistic Conciliation and Arbitration Service."

Perhaps the fundamental reason why this is so is to be found in some of the comments made by the Law Lords in yesterday's judgments. Lord Diplock: "Granted the manifest policy of the Act to encourage the extension of collective bargaining it is nonetheless unconvincing to suggest that it is of minor importance to workers which particular trade union is to negotiate their terms of employment for them. . . ."

Idiosyncratic assertion

That sentiment does not look out of place in to-day's political climate; in 1974 or 1975 it might have seemed like an especially bold, not to say, idiosyncratic, assertion. Or, to take Lord Diplock again: "It is ACAS's power and duty under the Act to make such recommendation as it thinks best; but what it is not entitled to do is to make any recommendation for recognition so long as it remains in ignorance of the opinions held by the majority of the workforce."

Lord Salmon, whose comments were the least inhibited of them all, said: "Parliament has given very large powers indeed to ACAS and to any trade union which refers a recognition dispute to it. The employers do not wish to recognise the trade union and the workers may not wish to join it. Yet if ACAS recommends recognition and the employers fail to comply with the recommendation, ACAS can take the matter to the Central Arbitration Committee which can write into every man's contract of service terms which neither he nor his employers have agreed. . . .

"I entirely agree with Lord Denning when he says that 'such an interference with individual liberty could hardly be tolerated in a free society unless there were safeguards against abuse'."

Lord Salmon also quoted another judgment, in another case against ACAS, in which Mr. Justice Browne-Wilkinson had commented that "as a result of the statutory machinery an individual can have a substantial measure of control over his own working life compulsorily delegated to an agent, a trade union, which he has not selected and may even have his own contract of service varied without his consent."

These are strong indications of a trend in judicial thinking. If an Act does give wide discretionary powers to a quasi-independent body, then it is of special importance that the rules under which those powers are exercised should be designed to protect groups or individuals from an abuse of power. When the Employment Protection Act was passed it was taken for granted that ACAS would be such a good thing, so in tune with the times, that it should be left to make up most of its own rules as it went along.

Thus in the very first paragraph of the Employment Protection Act it is stated quite clearly that ACAS has a particular duty to encourage the extension of colective bargaining. In the 1976 Annual Report of ACAS it spells out its own belief that it is the "general intention of Parliament" that ACAS "should be positive in extension of collective bargaining, based on trade union recognition, as the best method of conducting industrial relations."

There is nothing undemocratic about this attitude in itself. The right to join a trade union is universally recognised; the right of a trade union to be accepted as a bargaining agent is also widely established. It first became part of British law in the Conservatives' Industrial Relations Act of 1971. Most people would agree that if a group of workers wishes to be represented by a trade union it should have the right to be so, and legislation aimed at promoting this is surely democratic.

Individual workers

What is not so democratic is legislation, or a quasi-legal "conciliatory" mechanism, that is designed to further the powers of trade unions without due regard to the wishes of workers, be they individuals or groups, who do not wish to belong. The legal dispute between Grunwick and ACAS illustrates the point.

When the original 91 workers and 46 students walked out of the company in August, 1976 and asked the white-collar union, APEX, to represent them they were exercising a right recognised in most Western countries, and written into the constitutions of many of them.

The British way of ensuring that right, based on the 1974-75 legislation, was to provide for an application by the union to ACAS. Now it so happened that Grunwick did not play the game in the spirit of 1974-75. It assumed that ACAS was biased in favour of recognition, and it contested the right of ACAS to ask those who had gone on strike (and were subsequently dismissed) whether they wanted to be represented by APEX in their dealings with the company.

On that point—whether the strikers were what the Act calls "workers to whom the issue relates"—Grunwick has lost in every Court, including the House of Lords which found 5-0 against the company. It was perfectly legal and proper for ACAS to send its questionnaires to the strikers.

The second point was the difficult one. Grunwick refused to provide the names and addresses of the majority of its workers who ran the gauntlet of the picket line and turned up for work every day. ACAS came out with a report in favour of recognition of APEX based on its questionnaire sent to the strikers, admitting frankly that those people still at work had not been canvassed.

On July 12 the Lord Chief Justice found that because Grunwick had withheld the names, ACAS had done all that was "reasonably practicable" to ascertain these opinions. This view was overturned by the Appeal Court on July 19, and yesterday the five Law Lords giving judgment unanimously concurred. ACAS was wrong. Two of them suggested several methods which ACAS might have used to discover what the willing workers wanted (calling a meeting by advertising in local papers, for example), while Lord Salmon remarked acidly that it would have been a "very strong and indeed obvious inference for ACAS to have drawn . . . that had they asked the workers at Grunwick's whether they wished to be represented by APEX, the overwhelming majority of them would have replied 'Certainly not'."

What is so extraordinary about the Employment Protection Act, as interpreted by yesterday's judgments from the House of Lords, is that if ACAS had simply declared that it had *inferred* the opinion of the non-striking workers (or "scabs") then its subsequent recommendation would probably not have been overturned in the Courts.

When I visited ACAS in the course of a fairly thorough study of these matters earlier this year I came away with the distinct impression that its judgment is not based on any strong appreciation of the interests of workers who do not want to join a trade union. Where the rejection is totally overwhelming — as at IBM — it has little option, but in other cases, I gathered there was no set proportion of necessary votes in favour of a trade union. Thus ACAS could recommend recognition on a minority vote with no indication of how small that minority might be.

This is wholly in tune with 1974-75. Yesterday Lord Salmon did his best to establish a new case law, that would serve as some future protection for workers who do not wish to be represented by a union. "I consider that, in the very unlikely event of ACAS making a recommendation on a recognition issue which was contrary to the genuine opinions of a large majority of the work force concerned, the Courts would have the power, and indeed the duty to declare the recommendation to be *ultra vires* and void."

Tilting of the balance

It will be seen that the necessary re-shaping of ACAS has to do with a tilting of the balance in favour of workers' rights as against trade unions' prerogatives. This means promoting collective bargaining, even in small companies, where the workers want it—but protecting workers from predatory trade unions on a membership drive when they do not want it. the 1974-75 legislation established rights that workers had previously not enjoyed unless their unions did battle for them (in the streets or by a strike). It would be reactionary to propose a revocation of those rights.

What is missing, however, is the protection for the individual worker that would come [illegible] trade unions themselves [illegible] subjected to the rule of law. [illegible] writing the terms of reference of ACAS would be one step [illegible] this direction. Establishing [illegible] cedures for recognition disputes that were legally clear (and protective of non-joiners) would be another.

Necessary powers

Some amending legislation is already being considered. The [illegible] is a proposal to strengthen ACAS's hand vis-a-vis the employer where an employer refuses to give the names and addresses of employees. [illegible] enough, but a careful reading of yesterday's judgments [illegible] show that this would make little difference—ACAS already has the necessary powers on which to base its pro-collective bargaining judgments (Its failure in the Grunwick case was its own handling of those powers). The other proposal would free ACAS from the embarrassment of competing claims by rival trade unions (there is one such dispute being enacted at the moment). This, too is unobjectionable, [illegible] one suspects that ACAS would like to be free of recognition cases altogether, so that it could get on with its undisputed, worthy work of day-to-day conciliation in ordinary disputes.

I myself would propose a statutory right to trade union recognition, based on clear rules for canvassing workers' opinion. This would be a small step towards bringing unions within the law. With other such steps it must come one day. Yesterday's judgments must surely have brought that day nearer.

PS: What about the strikers now in their second winter outside the gates? ACAS, like the TUC cannot help them, [illegible] the present state of the law and even if ACAS had [illegible] run-through and recommended recognition of APEX by Grunwick that would still not get them their jobs back, or compensation. The spirit of 1974 and 1975 has left them out in the cold.

MEN AND MATTERS

Red as the fraternal rose

The spectre of Euro-communism quite spoiled the festive spirit at the Labour Party's National Executive Committee's pre-Christmas session yesterday. Ian Mikardo had just come back from a Danish Social Democrats' conference bursting with enthusiasm for their trendy badge of a clenched fist clutching a red rose, a symbol also used by the French Socialist Party.

It was, Mikardo suggested, a vast improvement on the utterly uninspiring present party symbol of a torch, crossed by a spade and a pen. Alas, at this point another NEC member said that the red rose symbol was also employed by those tricky chaps, the Italian Communists. This was clearly too much and, procedural to the last, the whole idea was voted down by 16 votes to three.

Insular as always, however, the NEC got it wrong. The symbol of the Italian Communist Party is the hammer and sickle against a green, red and white motif of the national flag. The red rose and clenched fist is the symbol of the Radical Party.

It was adopted largely as a nose-thumbing gesture by the Radicals who, having won a seat at the last general elections, went early to Parliament on the first day of the new session to claim their seat on the left of the Communists. But the idea of having anybody sitting on their left proved too much for the Communist deputies to stomach, so a scuffle ensued. Shortly after this, Marco Panella, the Radical leader, marched up to the Communist Party headquarters with a red rose in his hand, to complain of the violence used. He got a punch on the nose for his pains. Hence the rose and the clenched fist. Perhaps the NEC were right for the wrong reasons, since as a symbol of fraternity and all that it is ambiguous, to say the least.

Dazzling ideas

One might imagine that the Arabs have just everything they need these days, but the extrovert Bryan Balls feels they may be short on fireworks and hot-air balloons. So he has set up a company, based in Covent Garden, to lay on spectacles to order in the Middle East. Experts in various fields have been marshalled, including a *son et lumiere* impresario, Christopher Ede.

Balls thinks we could have a corner in supplying the oil states with high jinks. "When it comes to ceremonial connected with history, pride and prestige," he says, "then perhaps Britain has a reputation second to none." Already, some of the team have been busy in the Gulf: the tattoo expert, Major Aubrey Jackman, has been thrilling the locals in Muscat.

The organisation was put together fast—so much so that at the launching party the ink in the colour brochure came off on my fingers. Still, the message was plain enough, a large colour picture of a hot air balloon carrying a portrait of the Crown Prince of Kuwait. Sadly, despite the Middle East buffet and champagne, not many of the quarry were in evidence, except Salem Azzad, secretary-general of the Islamic Council of Europe—and he stuck to lemonade. It was a good get-together for experts, nonetheless, including a man who makes artificial grass, ideal for covering up deserts.

"It's the U.S. Treasury wanting to borrow our stiff upper lip!"

Heavy duty

Prompted by the recent comment of Social Services Secretary David Ennals that the government might want to control our intake of alcohol and tobacco through higher taxation, Colin Mitchell of stockbrokers Buckmaster and Moore has come up with some very unseasonal statistics.

In the 1974 Budget the Chancellor said he would like to link duty rates with rises in the Cost of Living Index since 1969, Mitchell recalled. If he carried through that threat, the "average" retail price of a pint of beer would go up 5p to 36p, a packet of king size cigarettes would rise 15p to 70p, a bottle of cheap wine would cost 20p more at £1.30, and the off-licence price of a bottle of whiskey up by £2.40 to £6.50. Cheers.

Dolce vita

As part of their special christmas fare Harvey Nichols have set up a special boutique which should appeal indiscriminately to mistresses whose financial independence has just been buttressed by Lord Denning's recent judgment and masters seeking to avoid eviction from the love-nest.

It is called the Mistress Shop and is apparently doing a roaring trade in lingerie, towel sets, shoe holders and "bibs and bobs," whatever they are. Hottest seller is reported to be the "kissed lip print" motif printed on white silk nighties, "loungewear" and make up bags together with "black satiny stuff."

Out of purely professional curiosity I asked if the saleslady had been specially chosen to fit into this slightly louche-sounding department. I was assured that this was not the case. It is run by "an ordinary Christmas temp." There is fantasy for you.

Chivalry lives

A woman reader who fainted in a Knightsbridge store the other day tells me that what contributed most to her speedy recovery was a remark made by an elderly gentleman who bent over her while she was lying on the floor. "Stand back, everybody," he said. "I'm going to loosen her stays."

Observer

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ECONOMIC VIEWPOINT

BY SAMUEL BRITTAN

World economy: what's wrong

MENTATIONS over the low wth rates and high unemment rates experienced by industrial world have been frequent, credible explanas of what has gone wrong ost non-existent.

e setback has now lasted years, roughly since the le East War of the autumn 973 and the quintupling of prices by the OPEC coun-

Professional doomgers and ecological expos of zero growth were quick rophesy imminent catasie—and even the end of strial civilisation—when event took place.

tual events have, however, depressing without being ing. There was a recession, severe by post-war stan-, which did not spiral into ression, but reached botin the winter of 1975-76. then there has been a ery, but a faltering one has not been enough to nt unemployment from uing to creep upwards. ted unemployment rates e OECD countries, which ed 2.8 per cent. in the 1962-73, are now showing tendency to climb again level of 5.2 per cent.

he EEC total unemployis now estimated at 6m.; in contrast to previous ries—there has even been all fall in numbers emd. The unemployment rate ecially high among young . Between a quarter and a f young people reported loyed in the EEC last year out of a job for more than nths. And it is possible to ort with far more alarming ntages by taking into it reduced hours, ures from the labour the discouragement of ration, deliberate reductions of productivity ("work creation") and so on.

An EEC Study Group has estimated that a growth rate of 4½ per cent. is required within the Community merely to stabilise the present unemployment percentage. This compares with an estimated growth of 2½ per cent. in 1977 and a 3½ per cent. forecast for 1978.

The arguments about the dollar are *mainly symptoms* of the underlying malaise. In the context of a normal world recovery, there would be no difficulty in accommodating the modest depreciation in the *real* exchange rate for the dollar required to finance the growing U.S. oil import bill.

The trouble is not just a lack of international collaboration, but an ignorance by governments of what it is that they ought to collaborate to do. The trouble with many purported explanations of current world unemployment is that, whatever their element of validity, they do not explain why the last four years should have been so different to earlier periods. Union wage push, or rivalries between different groups of workers, are frequently blamed by British-trained economists for unemployment as well as inflation. But if so, why has all this happened in 1973-77, and why is unemployment so high in countries like Germany with well-behaved unions?

Similar limitations apply to explanations in terms of reduced incentives to work to which monetarists incline. The combined effect of lower tax thresholds and higher benefits relative to normal earnings does mean that for many people there is little extra to be gained by taking paid employment. The table follows up a sample of adults originally unemployed in the autumn of 1973. There is an almost sensational difference between the work records of those with large families or whose wife was not at work, and who therefore stood little to gain in net cash by moving from social security to a paid job, and the others who stood to gain a great deal.

On another structural aspect, OECD studies have shown a striking inverse relation between youth unemployment rates in different countries and the wage gap between young people nad fully qualified adults. This indicates that when differentials are artificially narrowed, those whose skills are overpriced are liable to find themselves on the dole. We are, however, still left with the question why fiscal, and pay policy disincentives should have emerged simultaneously in so many countries at one period.

One explanation of unemployment, which does not exclude any of the others, is in terms of excessive real wages, and insufficient profit, per unit of value added. This tends both to retard investment and give such investment as does take place a labour-saving, rather than labour-using bias. The snag is that wage settlements are in money rather than real terms; and the suggested explanation is not satisfactory without some suggestion as to why, in different countries with different political regimes, employers have allowed profit margins to be eroded compared with earlier cycles.

Plausible accounts can also be given of changes in the structure of production which (for instance the displacement of traditional manufactures by development countries) are imposing strains on the employment pattern. But it is still difficult to demonstrate that the needed structural shifts are greater than the ones to which Western industrial countries have successfully adjusted in earlier years. Moreover, there is a lack, particularly noticeable in Germany, of signs of labour demand or investment activity from industries which ought to be benefiting from structural shifts. This brings us back to the question of why the current business cycle recovery has been so weak.

What then in the world economy has been outstandingly different in the last four years, compared with earlier periods? The first thing that hits one in the eye is the unspendable surpluses of the OPEC countries. These have added to the world savings total without adding commensurately to total investment opportunities; and this has generated the first Keynesian slump we have had since World War II (or even World War I if the inter-war depression can be attributed to monetary collapse). The size of the depressive force cannot be gauged by looking at the actual OPEC surplus of about $40bn., as a decline in world activity has itself brought down the surplus to manageable proportions.

Keynes's General Theory, published in 1936, had little to do with fine-tuning demand management geared to target unemployment levels or any such post-war fad. It related rather to a potential lack of balance between saving and investment, which could not be brought into line by any feasible reduction of interest rates—the so-called liquidity trap. This was a danger revived by the OPEC surplus. For a time I thought we could escape the liquidity trap, as a high rate of inflation would allow us to have negative *real* interest rates.

But the U.K. experience of several years of negative real rates has been atypical. In Germany there never was a negative long term rate; and in the U.S. real interest rates (measured imperfectly by the difference between the yield on long term government bonds and the inflation rate) were negative only in 1974 and 1975, since when there has been a positive rate of around ½ to 1 per cent.

More important is the onset of high inflation rates, averaging 7 to 13 per cent. n recent years in industrial countries compared with about 3 per cent. in much of the 1960s. This shift in the inflation rate is the second outstanding development and it is one to which the business world and governments have not even now adjusted, in pricing policies, accounting procedures, taxation and credit instruments. The disruptive effect of inflation on investment planning undid any benefit which might otherwise have been obtained from very low real rates of interest.

The tragedy was that the OPEC surplus occurred (not entirely by accident) in the aftermath of a monetary explosion, when double digit inflation made further monetary injections unwise.

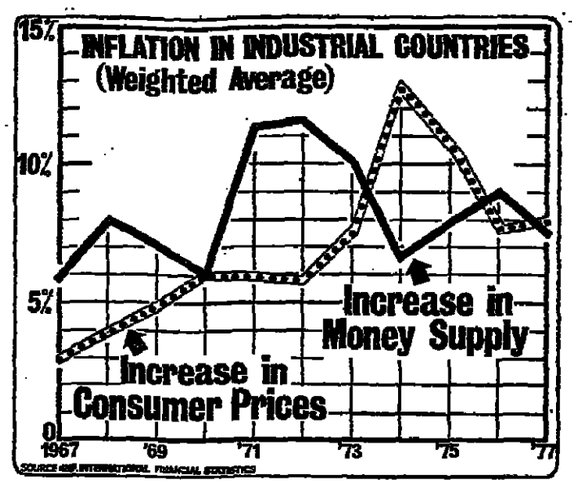
Now however the world inflation rate has subsided from its earlier peaks and has settled down in the last couple of years in the admittedly high range of 7½ to 9 per cent. (The consumer price indices distorted by foodstuffs gave a false warning earlier this year of renewed acceleration.)

The time may therefore be ripe for experimental and concerted international actions to increase Budget deficits while maintaining monetary guidelines. The size of current Budget deficits has incidentally been much exaggerated by the treatment of the inflationary element in government interest payments. (How many people realise that the market value of the U.K. National Debt is, as a proportion of GDP, less than half of what it was in the early 1960s?)

The fundamental reasons for advocating budgetary without monetary relaxation are in terms of political economy and expectations which do not figure in textbook models. If the U.K. Chancellor for instance were to authorise a special once-for-all rise of 7 per cent. in the money supply to finance increased real activity on top of the existing 13 per cent., would we not be inclined to project the resulting 20 per cent. into the further future? And would we be wrong? But once such expectations gained ground, the whole of the stimulus and more would be dissipated in increased inflation.

My suggestion for limited budgetary relaxations, in the context of continued monetary restraint, has been made as a way of trying to minimise the social and political risks of a continued upward creep in unemployment on the one hand and a renewed inflationary explosion on the 1971-74 model, followed by an even more severe slump, on the other. It was deliberately not made until there was evidence that the inflation in the industrial world as a whole had at least levelled off.

Although world unemployment may be above its minimum sustainable level, I doubt if it is very much above it; and the suggested budgetary stimulation would do more harm than good if it got into the bands of the demand managers who are so obviously itching to throw off or extend the monetary guidelines—or alternatively if relaxations took the form of bogus public works or energy saving "investment" rather than tax reductions or cash payments to the hard pressed.



Money supply movements have tended to precede inflationary movements and to be slightly larger to finance real growth. The narrow IMF definition may understate recent monetary growth.

MARRIED MEN'S EMPLOYMENT AND FAMILY STATUS

Proportion of time spent in work in the three years 1973-76 among married men aged 25-44, unemployed in autumn, 1973

WORKING STATUS OF WIFE	Wife in full time work	Wife in part time work	Wife not in work
	%	%	%
Time in work	83	72	44

NUMBER OF DEPENDENT CHILDREN	One	Two-three	Four or more
	%	%	%
Time in work	69	58	33

Source: *Where Are They Now?* W. W. David & E. Stilgoe, PEP, 1977

Letters to the Editor

terprise and NEB

Mr. Denis Boyle.

Can the NEB revitalise od fairy and should it ohn Elliott's article on er 7 raises some of the es in the present debate. sure many people will be inted if the NEB turns be simply a vehicle for or nationalisation, and as ssolved down by the next rative government. Conle evidence across Europe s that problem industries likely to break out of a spiral of rising imports, ionism and reduced comness without the inter of some external factor newcomer with fresh about how things organised (Trafalgar) or an organiwith the specific role of ing and catalysing new of industrial growth. ation mark hanging over to-day is whether it is collecting a "rag bag" ed companies or whether cusing its efforts on a of high leverage points in erall industrial machine. ttle evidence which is ble suggests that Murphy is men are following the course. But perhaps we to introduce a more sophid language for discussing itically important task.

starting point is to recogthat different industries distinctive though often pping roles within the l economy. For example, provide the infrastructure is the prerequisite for s of other sectors. Some ies have a strategic e role and yet others proe mechanism for pro- the added value which ntial to the survival of a n industrial state. While dustries provide employinterventionist policy o emphasise jobs. have to accept that if the justification for the ce of one industry is its to add value then when rid changes so that this is ger possible, it either has revitalised or allowed to ar to be replaced by ing else.

problem is understanding ifferences and finding the riate intervention points echanisms. In this game strial judo it is extremely nt to differentiate n an organisation with the of acquiring and runpanies indefinitely and rested in a transient ment in order to facilitate

activities of an organisaich as the NEB should e not be confused with ioer nationalisation."

Boyle,
nevian Institutes for trative Research,
ne Albert Road,
, N.W.8.

ergy servation

he Director of the Research and pment Association,

It is encouraging to see e British Government is g the lead given by the States of America in ting an energy conservaprogramme, but in one the action proposed is remedial and does to correct the root cause. are told that a large proof the £321m. to be available for the next four years spent on improving the n of council houses and is hoped that this will encourage the private sector to take similar steps. What is needed is a change in the Building Regulations requiring a much higher standard of insulation in new homes. At present this country lags far behind the requirements in many Continental and Scandinavian countries in thermal insulation for new housing.

It can be argued that in a normal year new house building adds less than 2 per cent. to the national housing stock but there seems to be little point in continually adding inadequately insulated dwellings to this stock knowing that they will have to be improved later, either at the expense of the Government or the private home owner.

If stricter regulations are brought out now, then in 20 years' time, when we may be in the midst of a severe energy crisis, we shall have the advantage of having at least one third of our housing stock well insulated.

J. G. Sunley.
Stocking Lane,
High Wycombe, Bucks.

Wage inflation and pensions

From Estridge and Ropner, Insurance Consultants.

Sir,—Sir Donald Sargent suggests that employers are currently breathing sighs of relief on the pensions front. In view of all that has confronted them over the past few months—well they might.

Unfortunately relief is only very temporary, and apart from the question of employee representation there is the very real need to keep the relationship of wage inflation and pension cost firmly under review.

The final salary pension commitment accepted by good occupational schemes and required by the 1975 Act depends for its fulfilment upon investment performances. In recent years the performance of the Stock Market and other investment media has raised doubts in this direction. Since 1966 the share price of ICI has scarcely changed, and in real terms has therefore dropped by some 60 per cent. Employers will have to keep the situation firmly under review to avoid their pension schemes raising liabilities that cannot be met. Encouragement to accept greater liabilities at this time should be regarded with care.

C. R. I. Estridge.
Estridge and Ropner.
Arkwright House,
Parsonage Gardens,
Manchester.

Metrication limbo

From the Chairman, GKN Fasteners.

Sir,—Your correspondent Mr. Archie Kidd (December 8) writing on Metric Nuts and Bolts, reveals himself as one of the many myopic designers who cannot accept the inevitability of the U.K. becoming unnecessarily uncompetitive, in terms of price and serviceability, through proliferation.

Unless we are bold enough, as a nation, to accelerate our industrial effort towards metrication, then we automatically debar ourselves from many world markets and, more importantly, European markets. In terms of crude exports in the first nine months of this year we have a deficit in balance of over £1,500m. Two-thirds of this is in food but in many areas of industrial endeavour, where we should be showing positive balances, we are falling behind.

The U.K. industry itself is carrying an unnecessary burden in terms of working capital, by holding a miscellany of component parts where metric standardisation could result in one part.

What happens when Mr. Kidd's "dynamic equipment" fails, with its BSF Bolts, in the middle of Europe? Or perhaps Mr. Kidd is not an exporter at all.

I believe that both large and small companies will always find the appropriate segment of the market that is the "best fit" for their capacity and within this premise I submit that it is in the best interests of both large and small companies, and in the interest of the nation, to take us out of the metrication limbo — the half-way stage—which cannot aid the task of those of us who are fighting to improve our standards of living in the U.K.

Alex Laker.
PO Box 60, Cranford Street,
Smethwick, Warley,
West Midlands.

Protecting an image

From the General Manager, RB Public Relations.

Sir,—Michael Rice's letter (Protecting an Image, December 12) crystallises the point that many mainstream newspaper journalists regard PR people as characters in search of a plot. In addition, a recent opinion poll among newspapermen implied that PR people were superfluous because journalists prefer to deal direct with senior executives.

It would be interesting to see how the questionnaire was worded. Journalists do prefer to have direct access to senior executives when a company is in the news and particularly at times of crisis. Most PR advisers would welcome this, rather than try to interpose themselves between journalists and executive. In my experience, most company heads can handle press interviews expertly on their own anyway.

What many people do not seem to understand, however, is the day-to-day work carried out by PR people: writing informative releases for trade journals, organising conferences and exhibitions, buying print and photography, writing film and AV scripts, house journals, and many other kinds of detailed work. It is quite fallacious to think that we spend our time waiting for a crisis to occur so that we can leap into action, save the day and justify our existence. On the contrary, we work to prevent crises (and by prevent I do not mean hide). As Conan Doyle pointed out, dogs which don't bark in the night are just as significant as those which do and are probably more numerous.

Peter S. McKenzie,
Oxford Road, Manchester.

Taxing the family

From Mr. D. G. Lindsay.

Sir,—While one can only applaud Mr. Pardoe's proposal to shift a large slice of the tax burden from direct to indirect taxation, his planned income-tax reliefs are badly misdirected.

As recent Parliamentary replies have clearly established, the major sufferers from the existing tax system are families, especially those in which the mother is running the home and looking after the children. For example, whereas in 1956 the family man (with wife and two children under 11) on average earnings paid about 21 per cent. of the tax paid by his single counterpart, the proportion has risen to day to no less than 72 per cent. Further, it is not only possible, but very likely, that a childless couple (both working) will pay considerably less tax than a man supporting a family on the same total income.

The first beneficiaries of any proposed tax reduction must be the children, and this by means of very substantial increases in child allowances: and the second must be "homemaking" wives, and this by allowing income sharing between husband and wife (as in France and Germany, for example). Next in importance—and relatively inexpensive—of course, is the reduction of the top rates of tax and of the investment income surcharge.

D. G. Lindsay.
8, Swanston Field,
Whitchurch-on-Thames,
Oxfordshire.

Shipbuilding subsidies

From Mr. R. M. Dodwell.

Sir,—Your leading article to-day, on shipbuilding, is closely reasoned, but leaves out the Prince of Denmark.

The Japanese, here as in colour TV, motor-cycles, desk calculators, and so on, have set out to monopolise a lucrative manufacturing market. To do this, they are prepared, for two, five or 10 years, to keep large surplus capacity, and win business at a loss. The rewards are great; technical progress is only possible if one has a large plant in steady production, so if once the Japanese can have a trade to themselves for a few years, no other manufacturer is ever likely to be able to re-enter the market against them. And it suits their book if European and U.K. companies agree to scrap subsidies and give up their market-share without a fight.

By all means, let all producers agree to reduce subsidies and capacity together. But let nobody move before the Japanese.

Until the Japanese co-operate, our concerted action, with the EEC, should be to pay any subsidy it takes to keep our yards busy and Japanese yards empty. So long as the Japanese insist that it is to be a game of "matching pound for pound," the only way to win is to be the player who pays out his pounds the fastest. The timid player, who tries to limit his losses, ends by losing the game, his money, his trade, and everything.

The Japanese system of conglomerate companies makes it hard to establish whether their shipyards are making profits or losses. And it is possible that if the Japanese think a European victory in shipbuilding would encourage Europeans to defend themselves in other fields, the Japanese might decide to take an especially tough line on this issue.

If we want to make a go of it, we need to concert our tactics with European yards so as to improve efficiency, cut out any capacity which is surplus even to a fighting policy, and abstain from competing between ourselves. Sadly, there seems small hope of our governments rising to this; still, it seems a pity to keep silent.

R. M. Dodwell.
23, Mayfield Avenue,
London, W.4.

From Major E. W. S. Anderson

Sir,—Unemployment in Northern Ireland is currently running at 11½ per cent. Why then has no Polish ship order been allocated to Harland and Wolf in Belfast?

Major E. W. S. Anderson.
Orchard Cottage,
Pownhope, Hereford.

To-day's Events

GENERAL

Preparatory talks for Middle East peace conference continue in Cairo.

Mr. Cyrus Vance, U.S. Secretary of State, ends Middle East tour.

European Parliament votes on 1978 EEC Budget, Strasbourg.

Wilson Committee on Financial Institutions progress report on financing of industry and trade.

Three-day talks end in New York between Britain and Argentina on disputed sovereignty of Falkland Islands.

President Eanes of Portugal ends visit to West Germany.

BBC management and union leaders discuss engineers' overtime dispute.

National Farmers' Union Council meets.

Court of Common Council, Guildhall, E.C.2, 1 p.m. Open to public.

PARLIAMENTARY BUSINESS

House of Commons: Motions on Rate Support Grant Orders and on Social Security (Contributions, Re-rating) Orders. Dioceses Church of England Measures.

House of Lords: Northern Ireland (Various Emergency Provisions) (Continuance) (No. 2) Order and other Northern Ireland orders. Gun Barrel Proof Bill, committee. House then rises for Christmas recess.

OFFICIAL STATISTICS

U.K. banks' assets and liabilities and the money stock; and London dollar and sterling certificates of deposit (mid-November).

COMPANY RESULTS

Associated Engineering (full year). Distillers Company (half-year). Unigate (half-year). Wilkinson Match (half-year).

COMPANY MEETINGS

Anglo-Scottish Investment Trust, 2, St. Mary Axe, E.C., 11.15. Common Bros., Newcastle upon Tyne, 11. Cope Allman, Dorchester Hotel, W., 11. Fundinvest, 117, Old Broad Street, E.C., 12. Instant Starter Engineering, 39-45, Tottenham Court Road, W., 12. London and Montrose Investment Trust, Bucklersbury House, E.C., 3.15. Martonair International, Connaught Rooms, W.C., 12. McKechnie Bros., Birmingham, 12. Newman Granger, Nottingham, 12.

OPERA

Royal Opera production of Maria Stuarda, Covent Garden, W.C.2., 7 p.m.

English National Opera perform Il Trovatore, Coliseum Theatre, W.C.2, 7.30 p.m.

D'Oyly Carte Company production of Patience, Sadler's Wells Theatre, E.C.1, 7.30 p.m.

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COMPANY NEWS + COMMENT

CompAir slows down in second half

RECORD TAXABLE profits of £12.22m., against £9.38m., are reported by CompAir for the October 2, 1977, year. Turnover climbed from £111.95m. to £129.76m. in the period. At half-way profit was £2.42m. ahead at £5.86m.

After tax, minorities and extraordinary items attributable profit comes out at £6.25m., against £4.83m. last year.

Directors say that business in the current year has opened in an atmosphere of general uncertainty, but the company sees some scope for further progress in world markets.

This view is encouraged by the record in 1976-77 which they say demonstrates Comp-Air's capability to perform well under increasingly adverse conditions.

The final dividend is up from 2.0071p net to 2.1221p per 25p share, taking the total to 3.6221p (3.2071p).

Earnings per share are given at 13.47p, compared with 10p, and fully diluted at 12.6p (10p).

Exchange losses of £1.8m. (£2.9m.) mainly on overseas assets have been transferred direct to reserves.

	1977 £000	1976 £000
Sales	129.762	111,951
Trading profit	18 008	14.097
Interest	3.145	2.549
Depreciation	2.847	2.175
Profit before tax	12.216	9.376
Tax	5.388	4.278
Net profit	6.828	5.100
To minorities	378	476
Extraordinary items	—	297
Attributable	6.250	4.831
Dividends	1.703	1.483
Retained	4 547	3.348

● comment

The tide appears to have turned against CompAir with second-half pre-tax profits up only 7.2 per cent. following a 70 per cent. gain after six months. Since the interims world demand for compressors and pneumatic tools has flattened considerably as the global recovery has faltered, while exchange rates have turned against the group, which generates 70 per cent. of its sales overseas. Turnover in the second half rose by only 3 per cent. after a 33 per cent. gain at the half-way stage and pressure on sales is unlikely to ease in the current half. However the rationalisation of manufacturing capacity and product lines is bearing fruit and trading margins have increased more than a point on the year while there is an improvement in stock turn: a further £5m. was spent on improving efficiency last year. Meanwhile the U.S. subsidiary Kellog American is continuing to perform well and the group is currently looking for further U.S. acquisitions. The shares at 92p yield 6.1 per cent. on a p/e of 7.1.

AURORA STOCK

Repayment by **Aurora Holdings** of the outstanding £750,000 7½ per cent. Debenture Stock 1986/91 and £640,812 7½ per cent. Unsecured Loan Stock 1983/88 has been approved by the holders.

HIGHLIGHTS

Trafalgar House has turned in profits some 40 per cent. to the good at the pre-tax level, thanks to a strong performance in shipping and hotels. **Guinness** on the other hand has more or less marked time, with profits being hit by price freezes in Ireland and Nigeria, although this was offset by the non-brewing side which has come on strongly. Lex also takes a look at the agreed terms from **Seagrams** for **Glenlivet**, as well as discussing the proposals for limiting the effects of Romalpa-type clauses in conditions of sale. Elsewhere, **CompAir** appears to have run out of steam in the second half with profits only 7 per cent. higher after a gain of 70 per cent. in the first six months. **Bulmer** has been hit by the impositiono of excise duty—volume is sharply lower while profits have slumped 58 per cent. **Associated Dairies**, with profits 20 per cent. higher, is in line with forecasts, but **Meyer** has performed better than other recent timber concerns.

Little change at Laurence Scott

ELECTRICAL MACHINERY and control gear manufacturers Laurence Scott reports pre-tax profits little changed at £1,024,000, against £1,021,000, for the six months to September 30, 1977. Turnover was up from £13.58m. to £14.71m.

The directors say that the first-half was affected by a ten-week stoppage but despite sluggish demand for capital equipment, order input is supporting the present level of production.

Earnings are shown at 5.76p (5.73p adjusted) per 25p share. In line with the forecast of a 5p total for the full year made at the time of the share placing in September, the interim dividend is stepped up from 0.8p to 2p net. The total for 1976-77 was 3.02p and pre-tax profits were a record £2.76m.

	Six months 1977 £000	1976 £000	Year 1976-77 £000
Group turnover	14.710	13.581	28.613
Trading surplus	1.317	1.277	3.298
Depreciation, etc.	291	234	519
Interest	2	22	19
Profit before tax	1,024	1,021	2,758
Tax	532	531	1,396
Net profit	492	490	1,362
Dividends	187	68	255

● comment

Laurence Scott's first half results profits unchanged on turnover up 8 per cent.—were depressed by a 10-week stoppage at the heavy motor works in Norwich, costing about £0.7m. in lost production. But demand for the company's custom-built rotating electrical machines has been sluggish, although some improvement is reported in the printing and paper equipment sector where there has been some capital investment. Meanwhile Laurence Scott's hopes of substantial orders from the new Shipbuilders Corporation have been boosted by the recent Polish shipping orders; also it has launched a new product—a high tension vacuum contactor—which should sell well on the North Sea oil platforms as it eliminates sparking and thus the risk of explosion. The company is beginning to see the benefits of the £3m. three-year capital expenditure programme which is reducing the work-cycle by up to six weeks, but with the group only operating at 80 per cent. capacity on current orders, there is still a long way to go to maximise the investment. Assuming maintained profit for the year the shares, at 103p, are on a p/e of 6.9 while the yield of 7.5 per cent. is covered almost three times.

Arthur Lee grows by £0.8m.

A SECOND half slowdown in taxable earnings from £2.3m. to £1.83m. left Arthur Lee and Sons, steel bar, strip, wire and wire rope makers, showing an advance for the year to September 30, 1977, to £2.83m., against £1.99m. Sales expanded from £46.99m. to £63.49m., but the share of associate's profits, net of losses, slipped from £228,265 to £30,281.

In June the directors said that trading conditions in certain products had weakened since the beginning of the year but outputs were still materially above the levels reached during the worst of the recession.

There have been recent signs of a slight revival in the bright bar and wire rope markets, but it is to early to say that this improvement will be sustained, they now state.

Earnings per 12½p share are shown up from 2.43p to 3.61p and the net total dividend is raised to 1.45p (1.35p) with a 1.05p final.

	1976-77 £	1975-76 £
Sales	63,498,000	46,997,004
Depreciation	822,269	806,442
Additional depreciation	744,336	633,980
Investment income	33,339	32,207
Share of associates	30,281	228,265
Pre-tax profit	†2,256,890	1,998,779
Tax	1,756,295	1,257,895
Minorities	311,048	277,492
Extraordinary credit	66,821	—
Attributable	936,369	483,592

† After £284,000 provision for supplementary contributions to pension scheme.

● comment

Arthur Lee's recovery began to run out of steam around the end of the first half as the latest slump in the steel demand cycle caught up with the group. Second-half pre-tax profits are 20 per cent. down on a year ago but last year's figures included a much higher level of stock profits (which the group traditionally takes in full at the year end). However demand has clearly weakened since the half year—much of the group's steel is aimed at consumer durable products where demand has been weakest, reflecting the slide in consumer spending, particularly on items like furniture. However the group reports that the stockholding division has performed reasonably despite difficult trading conditions while the Belgium associate has turned in a reduced loss. Meanwhile trading prospects continue to look flat for the current half. The shares at 21½p yield almost 11 per cent. on a p/e of 5.6.

Ashley Ashwood

Mr. Nigel Broakes, chairman (left), and Mr. Victor Matthews, deputy chairman and managing director, of Trafalgar House. In the year ended September 30, 1977, the group increased its profit by £12.8m.

Utd. Spring turns in £765,000

SPRING MANUFACTURERS, steel stockholders and processors United Spring and Steel Group reports taxable profits of £765,000 for the year to September 30, 1977 compared with £633,000 after a £121,000 lead to £278,000 at halfway. Sales for the year were ahead from £19.02m. to £19.95m.

Stated earnings per 10p share are up from 2.85p to 4.09p and the dividend is stepped up to 1.452p (1.3p) with a final of 0.952p net.

The group's liquidity position shows a considerable improvement, the directors state. Although an encouraging start has been made to the current year, they feel it premature to make a forecast.

	1976-77 £000	1975-76 £000
Sales	19 950	19,017
Pre-tax profit	765	633
Tax	318	355
Extraord. debit	22	—
Retained	256	131

The increase in profits has largely been achieved by a good performance from each of the spring manufacturing companies, with the Dutch subsidiary producing substantially better results, and the group's recent acquisition, Robert Riley (Holdings) contributing £51,000. This acquisition has further strengthened the group's position in the spring industry the directors add.

Both turnover and tonnage of the steel division were slightly down and although profits are lower they stem from the group's trading operation rather than stock profits.

WILLIAM LOW

Turnover of William Low and Co., supermarket operators, was running ahead of estimates for the current year to date, Mr. A. M. Drysdale, chairman, told the annual meeting.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Assed, Dairies ....int.	0.45	Feb. 20	0.45*	—	0.77*
Braithwaite and Co. ...int.	1.98	—	1.79*	—	3.85*
HP Bulmer ....int.	2.2	Feb. 13	1.06	—	3.16
2nd int.	2.2	Apr. 6	1.06	—	3.18
Clarke Nicholls ....int.	0.89§	Jan. 30	0.8	—	1.76
CompAir	2.12	Feb. 24	2.01	3.82	3.21
County and Dist. ....int.	0.44	—	—	—	0.79
Cronite Group	1.69	—	1.69	2.42	2.42
Deritend Stamping ...int.	3.3†	Mar. 3	3	—	9.02
Dundonian ....int.	1†	Feb. 4	1	—	1.94
Durapipe Int. ....int.	0.93	Apr. 3	0.86	—	3.65
East Daggafontein ...int.	20¢	Feb. 3	Nil	—	Nil
Arthur Guinness	4.64	Feb. 10	4.12	7.02	6.28
Guthrie Crpn. ....int.	6	Apr. 3	4	—	10
Inch Kenneth Kajang int.	0.66	Jan. 31	0.65	—	2.28
J. and H. B. Jackson	0.5	Apr. 7	0.24	0.91	0.81
Laurence Scott ....int.	2	Mar. 31	0.8	—	3.02
Arthur Lee	1.05	Feb. 24	1	1.45	1.35
M and G 2nd Dual ...int.	2.75	—	2.3	—	4.34
Montague L. Meyer ...int.	1.7‡	Jan. 27	1.3	—	4.13
Phoenix Timber ....int.	2	Feb. 8	2	—	3.84
Southvaal Holdings	21¶	Feb. 3	6	21	6
Sutcliffe Speakman ...int.	1.32	Feb. 9	1.08	—	2.15
Trafalgar House	2.62	Feb. 7	2.31	5.16	4.62
United Gas ....int.	0.99	Jan. 16	0.81	—	3.29
Utd. Spring and Steel ....int.	0.95	—	0.88	1.45	1.3
Vaal Reefs	60¶	Feb. 3	60	115	110
Western Deep	47.5¶	Feb. 3	45	82.5	90

Dividends shown pence per share net except where otherwise stated.
* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ Additional 0.04346p for 1976-77. § Additional 0.0147p for 1976. ¶ South African cents throughout.

SE asia results boost Guthrie

FIRST-HALF 1977 pre-tax profits of Guthrie Corporation jumped from £4.69m. to £11.14m. on turnover of £144.7m. compared with 133.5m. Pre-tax profits for all 1976 came to £13.27m.

A combination of good crops and high commodity prices in South East Asia resulted in first-half operating profits from that area advancing from £2.79m. to £10.71m. Europe contributed £0.42m. (£1m. loss); Pacific £0.28m. (£2.11m.); North America £1.89m. (£3.58m.) and Africa £1.08m. (£0.59m.) giving a total of £14.35m. (£8.07m.).

The directors say that operating profits for all 1977 will be considerably higher than the £20.23m. for 1976 and with a lower effective tax rate attributable earnings are likely to be at a record level. Prospects for 1978 are generally satisfactory, but depend on trends in world economic activity.

First-half attributable earnings were ahead from £1.46m. to £4.95m. The total for 1976 was £3.34m.

The interim dividend is raised from 4p to 6p net per £1 share costing £1.72m. The corporation continues to be exempt from dividend limitations. Last year's final payment was 6p.

An exchange loss for the first half of £171,000 (£2.76m. gain) will be dealt with in the full-year accounts.

	Six months 1977 £000	1976 £000	Year 1976 £000
Turnover	144,717	133,472	289,987
Operating profit	14,352	8,068	20,229
S.E. Asia	10,708	2,799	10,208
Europe	417	*1,044	*1,183
Pacific	238	2,110	4,229
N. America	1,893	3,583	6,304
Africa	1,079	388	1,172
Interest	3,211	3,373	6,963
Profit before tax	11,141	4,693	13,266
Tax	6,200	3,000	8,912
Net profit	4,941	1,693	4,354
Extra-ord. credit	349	*48	*2,847
Exchange gain	—	—	3,016
To minorities	320	165	1,025
Pref. dividends	30	30	39
Attrib. to Ordinary	4,950	1,482	3,339

* Loss.

● comment

As expected buoyant plantation profits have given Guthrie's figures a big push. South East Asia's operating profits are nearly £8m. higher and overall trading profits are up by 78 per cent. In Europe there is a £1.4m. turnround into the black, thanks to the elimination of Texac and a recovery at British Carpets which is now only marginally in the red compared with a £4m. loss in the comparable period. The big disappointment is the Pacific where the boom in colour TV sets has passed and the joint operation with Sanyo has taken quite a slump. Elsewhere, North American profits are down but that is not surprising bearing in mind the Canadian economy. For the second half plantation profits will be weaker—the palm crop in the last three months was about a quarter lower—but that side could still chip in around £8m. in the last six months. Profits should comfortably top £22m.—some outside estimates are pitched at £25m.—for earnings of 35p a share indicating a p/e of 6.4 at 230p. Meantime the dividend could well be 15p for a prospective yield of 10.1 per cent. attractive rating.

Deritend Stamping climbs

EVEN THOUGH some of group's new companies reach their set targets the unsettled economy Stamping Company achieved per cent. jump in taxable from £476,000 to £626,500 half year to August 31, improved by £3.17m. to £

At the time of the in May, the directors most subsidiaries were from increased orders hoped that the mand would continue.

They now say that are somewhat difficult however, most group products are in good Board feels confident able results will be the full year. Last year down £0.12m. at £1.2m.

First-half stated 50p share came out 13.2p (8.8p) and the dividend is raised on the increased capital the directors said they to pay at least a maintained of 9.02p for 1977-78.

After tax of £631,000 £247,520, the net balance from £228,480 to £

Braithwaite profits halved

ON TURNOVER down £6.28m. to £5.09m. for year to September pre-tax profits of Braithwaite Company Engineers were from £928,011 to £ September the directors with industry suffering worldwide over-capacity it would be unrealistic the rate of the expansion to continue. The 1976/77 year was £1.92m.

On increased capital one-for-one scrip issue the dividend is lifted adjusted 1.7875p to 1.95p £1 share—last year's adjusted 2.059p.

After tax for the £241,000, against £ profit emerged as £ pared with £445,011. The activity of the group fabrication and erection structural steelwork, and pressed steel storage

The reduced profit arises from tighter margins in sector of the construction dustry, the directors state expected that second-half will appreciably exceed the first half.

ISSUE NEWS

Cableform—dividend up

The directors of Cableform Group are proposing to raise £201,500 by a rights issue of 437,238 Ordinary 5p shares, on a one-for-ten basis at 50p. The shares closed 1p lower at 66p in the market.

The Board also announces interim figures for the six months to September 30, 1977. Turnover is up from £1m. to £1.63m. and pre-tax profits are £271,000 higher at £370,000. Last year the group made profits of £339,000 on sales of £2.29m.

An interim dividend of 0.22p is declared and the directors are forecasting a total for the year of 3.3p (0.3216p).

Giving its reasons for the issue the Board states that it has plans for substantial investment over the next few years to expand capacity.

The directors and Ashley Industrial Trust, together accounting for 32.95 per cent. of the capital, will subscribe for their entitlement in full. The balance is underwritten by Barclays Merchant Bank. Brokers are Capel-Cure-Myers, and dealings start on Monday.

ELBAR £1.49M.

Elbar Industrial is proposing to raise £1.49m. by a rights issue of 816,433 Ordinary 50p shares on the basis of one-for-three at 190p each. The shares closed 10p lower in the market at 210p.

Proceeds of the issue will be used to reduce bank borrowings.

The directors are forecasting that pre-tax profits for the year ending December 31, 1977 will not be less than £1.9m. compared with just under £1m. in 1976.

At the time of the rights issue in December, 1976, when Elbar acquired John Fry the directors forecast a total of 8p for this year. They reaffirm that forecast and project a further 2p rise to 10p for 1978.

Tanganyika Concessions which holds 55.2 per cent. of the equity will take up its full entitlement under the issue.

Abbey fund reaches £248m.

The annual report from Abbey Life Assurance on the Abbey Property Fund reveals that it has grown in its 10 years of existence to £248m.—nearly three times as large as its closest competitors. The unit price at the year-end stood at its highest ever value and including net re-invested income, had more than doubled since the first launch.

During the year to October 3, 1977, the value of the fund increased by £18m. to £230m. with income received being in excess of £8m. However, there was a net withdrawal by unitholders of £3.4m. and the increase in value of the fund came primarily from a £13m. rise in the property portfolio value.

The main concentration of activity during the year has related to improving the existing properties within the portfolio, improving the portfolio itself, and continuation of development schemes within the fund. These involved 16 portfolio management transactions including the purchase of two freeholds. During the year there had been the successful letting of more than ½m. square feet of accommodation. At present 95 per cent. of the portfolio has rent reviews every seven years or less and five-sixths of the portfolio comprises buildings constructed since 1960.

At the year-end, the property holdings were split as to 57 per cent. offices, 15 per cent. shops, 22 per cent. industrial, and 6 per cent. agricultural. The fund acquired two farms during the year, in Hampshire and Bedfordshire for a total area in excess of 3,000 acres. Liquidity at the year-end stood at £44.7m.—14.8 per cent. of the fund after allowing for future development commitments, overseas loan payments and proceeds of contractual sales.

The managers reveal that over the next two years, projected rents will rise from their current level of £11.7m. to £15.3m. but expect this rise to be even greater if the demand for good accommodation continues at the level now being experienced.

Valor Malta plans

Mr. Dom Mintoff, Prime Minister of Malta, has approved an agreement doubling the size of Valor's gas-light controls factory in Malta. Finance for the £500,000 expansion is being put up by the Malta Development Corporation. Output will eventually be increased from 300,000 units a week to 500,000 units weekly.

CCF

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Chairman's Address to Shareholders of Western Mining Corporation Limited

Mr. A. H. PARBO

The Annual Meeting of Shareholders of Western Mining Corporation Limited took place in Melbourne on December 1, 1977. The Chairman of Directors, Mr. Arvi Parbo, when moving the adoption of the Report and Accounts for the year ended 28th June, 1977, made the following points:

The world economic recovery, which began in the previous financial year, continued during most of 1976/77, but towards its conclusion there were signs of a downturn in important mineral consuming industries, such as the world steel industry and this had persisted since the end of that financial year. Within Australia progress had been made in reducing the rate of cost inflation. The average parity of the Australian dollar to the U.S. dollar moved by 9% in the Company's favour. Profitable interests of WMC, ranked in order of importance, were nickel mining, smelting and refining; its shareholding in Alcoa of Australia Ltd; gold mining and talc mining. These interests represented A$422 million out of total assets of A$503 million at June 1977. With the exception of the mineral sands operation all income producing interests performed well, particularly the nickel division in spite of very difficult market conditions.

The net result was an increase in profit from A$11.8 million in 1975/76 to A$22.1 million in 1976/77, before extraordinary items and after deducting minority interests. The return on shareholders' funds improved from 6.0% in 1975/76 to 9.2% in 1976/77 and dividends increased from 5c per share to 6c per share.

While the improved results were still disappointing, WMC's performance was good when considered against the background of depressed conditions in world markets and the results of other world nickel producers.

NICKEL

Production, including purchases of nickel by WMC, decreased marginally to 45,000 tonnes of contained metal, while sales increased marginally to 42,000 tonnes.

Production exceeded sales for the second successive year and stocks increased from the already high level at the beginning of the year. Changes in world market conditions since June 30, 1977 had made it necessary to reduce production in the current financial year. At Kambalda exploration results during the year under review reflected lower drilling footage compared with previous years. Drilling carried out since the beginning of the present year had indicated significant extensions to the Juan, Long and Lunnon Shoots.

In the Kalgoorlie-Kambalda district drilling had outlined a small but high-grade nickel sulphide orebody at Carnilya Hill. WMC had now earned a 50% equity in this area. There were further opportunities, by joint venture exploration, to add to the total nickel sulphide reserves in the district.

At Windarra drilling intersected nickel sulphides at depths up to 1,000 metres below surface, indicating potential extensions to established ore reserves.

Since the end of the last financial year Shell Company of Australia had purchased Windarra Nickel Mines Pty. Ltd, and had thus become WMC's 50% Joint Venturer in that project.

ALUMINIUM

WMC's 20% shareholding in Alcoa of Australia was now a very substantial asset. Since its formation Alcoa of Australia had developed into an undertaking of world importance, with assets of A$637 million at December, 1976, a production capacity of 3.4 million tonnes of alumina, and 100,000 tonnes of aluminium, per year.

In 1976 Alcoa of Australia made a profit of A$42.7 million and WMC received a dividend of A$6.0 million, compared with A$1.7 million in 1975.

A good result was expected in 1977. WMC directors had revalued its 20% holding in Alcoa to a conservative A$100 million.

GOLD

The price of gold had increased from the low of A$83 per oz. in August 1976 to more than A$140 per oz. recently and experts were optimistic about a further price improvement.

The higher price and continuing good ore grades had enabled Central Norseman Gold Corporation N.L. which was 50.5% owned by WMC to make a profit of A$4.9 million in 1976/77. Exploration to extend known ore reserves and discover new orebodies was being carried out.

The increase in the price of gold and devaluation of the Australian dollar had enabled the Mt. Charlotte mine of Kalgoorlie Mining Associates, the last gold mining operation at Kalgoorlie, to continue to operate instead of closing down as had been anticipated.

The outlook for gold was sufficiently improved to encourage the partnership to commence work on rehabilitation and replacement of parts of the treatment plant.

TALC

The talc mine at Three Springs, 50% owned by WMC, continued to work efficiently and profitably.

MINERAL SANDS

Operations at WMC's mineral sands project at Jurien Bay were suspended at the end of the financial year, as market conditions deteriorated further. Directors, while maintaining the property on a care and maintenance basis, have made provision for writing off A$7.7 million after tax effect in respect of the property. The property remained of longer term value and could be maintained at minimal cost until market conditions improved.

URANIUM

During the year plans were completed for a small scale research plant for metallurgical testing of the ore from the Yeelirrie deposit in Western Australia. It was intended to establish this plant near Kalgoorlie so that it might be used for testing other ores in the future. A comprehensive environmental study for the plant had been submitted for approval by State and Federal Authorities and the Boulder Shire Council had approved the project.

Since the end of the financial year the Federal Government had announced its policy for mining and export of Australian uranium.

Export of uranium will be subject to bi-lateral agreements between Australia and individual customer countries conforming to stringent safeguard requirements. These agreements were in the course of negotiation.

The marketing of Australian uranium oxide would take place with the involvement of a Government Marketing Authority, of which the terms of reference and composition were not yet known. Approval of individual projects would be considered by the Government on the advice of various bodies, including the Uranium Advisory Council, the terms of reference and composition of which also were not yet known. A number of decisions had therefore to be made by the Government before it was known when and how the Yeelirrie project could proceed.

WMC's policy was to advance work at Yeelirrie strictly in accordance with all rules, regulations and safeguards. The Company's assessment of the market for uranium was that the project should be timed to come into production in early to mid-1980's. This timing would allow adequate time for pursuing the number of complex matters which had to be resolved before a final decision to go ahead could be made.

EXPLORATION

Western Mining Corporation's past and present business had been based on exploration success and its Australia-wide search for metal in 1976/77 had continued at about the same level as in previous years. In addition, in accordance with the terms of the share issue in June, 1976, substantial expenditure was for the first time incurred on petroleum expenditure. WMC's Exploration Division had been successful in locating more attractive prospects than the Company wished to explore on its own account at the present time. WMC had therefore formed a number of Joint Ventures as opportunity offered.

METAL EXPLORATION

Since the announcement at WMC's last year's annual meeting of a new discovery of copper mineralisation at Olympic Dam on Roxby Downs Station in South Australia, it had been found that the mineralisation also contained uranium and more recent work indicated that it contained significant amounts of various rare earth minerals.

Drilling during the year continued to outline a very large prospective ore position. Many companies had indicated their interest in joining WMC in this project. Because of its likely size it was realistic for WMC to think in terms of eventually having partners.

PETROLEUM EXPLORATION

Seismic surveys completed in the Pedirka and Abrolhos Basins located structures for drilling in 1977 and 1978.

Since June 30, 1977 two exploratory wells had been drilled in the Pedirka Basin. The Company has earned a 50% interest in the area of 50,000 square kilometres. Overall seismic and drilling in the Pedirka Basin had substantially upgraded the prospects of finding commercial hydrocarbons in this area. One well will be drilled in the Abrolhos Basin approximately 100 kilometres offshore from Geraldton in 1978.

RESOURCES TAX

Taxes which reduced profits in good years to mediocre levels obviously reduced average returns. The average in the mineral industry was already well below acceptable levels and lower than in other industries.

The introduction of a discriminatory so-called resources tax can only seriously discourage further development of the mineral industry which was already carrying the full burden of exposure to world market conditions and, along with other export industries, protection to secondary industries.

FUTURE OUTLOOK

The short term outlook for nickel was for a continuation of the difficult market conditions. It was expected that sales volume and prices in 1977/78 would be lower than last year, with consequent adverse effect on revenue from nickel. The good results of the aluminium and gold interests should be maintained or improved in 1977/78. With the mineral sands operation inactive, the only costs there will be minor care and maintenance expenses. Overall it was expected that operating profit for the first half of 1977/78 would be materially less than for the first half of last year. It was essential that a balance between production and consumption of nickel be reached as soon as possible to achieve stability in the market and more realistic price-levels. The proposal to establish a U.S. strategic stockpile of about 200,000 tonnes of nickel, which would take up most of the present surplus stocks, was still under consideration.

In the longer term the present pause in development of new nickel projects, caused by the unsatisfactory economics of the industry, would lead to another period of shortages and very high prices such as happened in the 1960's.

mlm

Montague L Meyer Limite

Interim Report

UNAUDITED GROUP RESULTS

	6 months ended 30th September 1977 £'000	6 months ended 30th September 1976 £'000	Year ende 31st Marc 1977 £'000
TURNOVER	121,000	106,000	222,000
TRADING PROFIT	10,602	11,059	22,228
Depreciation	(1,261)	(1,149)	(2,386
Interest Payable	(2,436)	(1,959)	(5,290
	6,905	7,951	14,552
Share of Results of Associated Companies (Note 1)	565	(290)	(257
PROFIT BEFORE TAXATION	7,470	7,661	14,295
Taxation (Notes 1 and 2)	(3,628)	(831)	(1,516
PROFIT AFTER TAXATION	3,842	6,830	12,779
Extraordinary Item	—	—	(649
Minority Interests	(119)	(193)	(428
PROFIT AVAILABLE FOR APPROPRIATION	£3,723	£6,637	£11,703
EARNINGS PER SHARE (Note 2)	6.8p	12.1p	21.4

Note 1: The Group's share of the results of associated companies includes an extraordinary surplus £248,000 on the disposal by the Hallam Group of Nottingham Ltd. of its Cabinet factory and the tax charge includes £100,000 in respect of this item.

Note 2: Taxation is provided on the basis of a corporation tax rate of 52% for the full year and t account of anticipated stock relief and capital allowances. This is in accordance with the Compa accounting policy for deferred taxation which was adopted in the accounts for the year ended 31st Ma 1977. The taxation charge for the six months ended 30th September, 1976 has been restated to co with the new basis.

Since September profitability has been maintained at a satisfactory level but the strengt sterling in relation to the currencies of some supplying countries may cause a temporary reduc in margins in the last quarter. However, some increase in demand is expected during 1978.

The dividends on the Preference and Preferred Ordinary Shares for the period absorb £5, (1976 £5,000). The Board has declared an interim dividend of 1.7p per share on the Ordi Share Capital, which will absorb £928,000 (1976 1.3p per share which absorbed £709,0 Holders on the register on 9th January 1978 will be entitled to receive with the interim divide supplementary dividend of 0.04345p in respect of the year ended 31st March 1977. These divide will be paid on 27th January 1978.

Britain's Leading Timber Group

Montague L Meyer Limited

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Timber & sheet material distributors. Builders Merchants and retailers. Manufacturers in related fields.

July results

Guinness holds £39m. but brewing slackens

WITH ITS share of associate companies taxable earnings down from £8.31m. to £5.82m., Arthur Guinness Son and Co. ended the year to September 24, 1977, with maintained profit of £39.45m., against £39.31m. Sales expanded £94.9m. to £498.8m.

At half-time, when the surplus was ahead at £17.1m. (£14.8m.), directors said that factors which particularly helped the second half last year had not recurred and it would be difficult to match the total for 1976-77.

Trading profit for the year was lower at £38.98m. (£36.15m.) but the contribution from brewing quickened by £2.09m. to £29.17m. The main improvement came from general trading, ahead at £6.3m. (£5.3m.) and plastics and materials handling £2.5m. (£0.9m.).

Capital expenditure doubled to £4.2m. and should consolidate at around this level in the current year, said Mr. A. J. R. Purssell the managing director at a press conference after the results were announced.

Spending would be split about evenly between the brewing business and the general trading division. On the brewing side it is £7m. to £8m. would go to finish the new lager brewery at Park Royal, due to come on stream in January 1979.

Much of last year's expenditure was financed from cash flow, but net borrowings had risen by £[illegible]m. and a further, similar increase, could be expected in the current year.

Guinness last had a price increase for its beer in July but Mr. Purssell insisted: "We have no need for another increase at the moment."

He added: "We don't like to be ahead of the industry or be last with our price increases."

The problem for the company is that the minimum price increase of 1p on a bottle added £1m. to profits.

Beer trade since the end of September had been "a bit slack" in the U.K. but "in Ireland they are thirsty." The major factor in current year prospects would be the public's spending power.

The general trading division's profits should show the same sort of growth in the current year.

Earnings per 25p stock units are shown lower at 21.3p (22.2p) but the net total dividend is lifted to the maximum permitted 7.0191p (6.4464p) with a final of 4.6387p.

The geographical analysis of sales and trading profit shows U.K. £[illegible]m. (£191.8m.) and £13.4m. (£[illegible]m.); Republic of Ireland £[illegible]m. (£131.7m.) and £15.4m. (£[illegible]m.) and overseas £123.2m. (£[illegible]m.) and £10.2m. (£8.8m.).

Adjustment for inflation accounting under the recent Hyde guidelines would reduce group profit by about £14.8m. This 37 per cent. cut arises from £12.2m. additional depreciation £8.1m. cost of sales, and a £5.5m. gearing adjustment.

The source of group profits changed markedly during the year. Now about 25 per cent. comes from non brewing activities the directors point out.

The fall in trading profit in Ireland resulted from a price freeze during a time of inflation. Sales in the U.K., which suffered during the 1976 summer, showed recovery.

Overseas existing markets remain buoyant. The £25m. new brewery in Benin will be on stream in January or February and this 500,000 hectolitre per year brewery would add 40 per cent. to the group's overseas stout production capacity. There had also been expansion of the breweries in the Cameroun and Kuala Lumpur.

Draught Guinness should be on the Australian market next March in a joint venture with the local New South Wales brewers, Tooheys.

Dealing with associate companies, Mr. Purssell stated that the company had collected more than £1m. in rebates on sales of lager from the Harp Lager consortium company.

Harp's profits, when announced, would prove to be not very different from the £5.7m. last year. Guinness has a 32 per cent. shareholding in the consortium.

The share of profits from Taunton Cider, another brewers' consortium company, had been around £250,000.

Only the second half profits of White Child and Beney, which became a subsidiary in February have been included. Both this company and GPG substantially increased their performance and are well poised to take advantage of any opportunities for further growth.

The group's leisure interests in both cruising and holiday centres are expanding and look forward to another record year in 1977/78.

	1977 £000	1976 £000
Sales	[illegible]	413,878
Trading profit	32,978	28,158
Brewing	29,170	31,261
Confectionery	[illegible]	487
General trading	4,397	3,409
Leisure	376	226
Plastics & mat. handling	2,502	980
Property	1,667	157
Interest	4,625	6,069
Investment income	917	917
Share of assocs.	1,878	3,308
Pre-tax profit	39,458	39,312
Taxation	19,238	18,198
Net profit	21,214	21,114
Minority interests	2,938	2,203
Extraord. debits	2,147	2,690
Attributable	16,131	16,221
Dividends	6,051	5,349
Retained	10,080	10,873

Extraordinary debits for the year, of £2.15m. (£2.69m.), comprised, with £000s omitted: revenue expenditure in modernising Dublin brewery £2,259 (£1,874); terminal costs mainly relating to non-brewing activities £591 (£608); net book loss in disposal of properties and investments and repayment of currency borrowings £596 (£547); provisions to write down premiums on shares in acquired subsidiaries, nil (£979). Less tax relief and minority interests £1,099 (£1,318).

See Lex

Sutcliffe Speakman headway

WITH AN improvement in its engineering division and good returns from the carbon side having been maintained, Sutcliffe Speakman and Co. reports an increase in taxable profits for the half year to September 30, 1977, from £162,000 to £212,000 on turnover up from £3.54m. to £4.2m. The directors add that prospects for the second half remain good.

Half-yearly earnings are shown as up at 4p (3.1p) per 25p share and the interim dividend is increased from 1.063p to 1.3164p net. Last year's final was 1.0682p and profits were down from a record £451,952 to £339,000.

Profit after tax and minorities comes out at £99,000 (£75,000).

MALAYAN TIN

In his first annual statement as chairman of Malayan Tin Dredging, which transferred its domicile from London to Malaysia on November 19 last year, Mr. Junus Sudin warns that tin concentrate production for the current year will be lower than that for the year to last June because two dredges will be shut down for planned repairs.

He adds that it may thus be difficult to maintain the 1976-77 level of profits in the current year, but if the high tin price is maintained "I hope to be able to report satisfactory results next year." Malayan were 370p yesterday.

EPICURE/SLEA

Epicure Holdings has been advised that it is unlikely that Rationatic gearbox principles will be acceptable for automotive or similar industrial applications for automatic variable speed drives due to the low efficiencies obtainable resulting from the use of friction.

Since the justification for buying shares of Rationatic Transmissions primarily depends on the successful commercial development of the gearbox and the protection afforded to the invention by patents, the Board has decided not to exercise the option to acquire from Slea Holdings some 35 per cent. of the issued share capital of Rationatic.

Negotiations relating to the proposed acquisition of Slea are continuing.

Tax cuts into Meyer profit

TAXABLE PROFIT of timber merchants, Montague L. Meyer marginally declined from £7.66m. to £7.47m. for the six months to September 30, 1977, on higher turnover of £121m. against £106m. For the whole of the previous year, a record £14.8m. surplus was recorded.

Since September, profitability has been maintained at a satisfactory level, say the directors, but the strength of sterling in relation to the currencies of some supplying countries may cause a temporary reduction in margins in the last quarter. However, some increase in demand is expected during 1978.

After higher tax of £3.63m. (£0.83m.) half-year net profit dropped from £6.83m. to £3.84m. Stated earnings are 6.8p (12.1p) per 25p share and the interim dividend is lifted from 1.3p to 1.7p net, absorbing £928,000 (£709,000). A supplementary 0.04346p will also be paid for 1976-77, when payments totalled 4.125p.

The group's share of associates' results of £565,000 profit (£290,000 loss), includes an extraordinary surplus of £248,000 on the disposal by the Hallam Group of Nottingham of its cabinet factory and tax includes £100,000 in respect of this item.

Tax for the period takes account of anticipated stock relief and capital allowances, which is in accordance with the company's accounting policy for deferred tax, adopted in the 1976-77 accounts. The charge for the comparative six months has been restated to comply with the new basis.

	Six months 1977 £000	1976 £000
Turnover	121,000	106,000
Trading profit	10,602	11,059
Depreciation	1,081	1,149
Interest payable	2,430	1,959
From assocs.	565	*290
Pre-tax profit	7,476	7,661
Tax	3,628	831
Net profit	3,842	6,830
To minorities	119	193
Available	3,723	6,637

* Loss.

● comment

Ex the contribution of the associates the first-half pre-tax profits downturn at Montague L. Meyer is 13 per cent., against a 15 per cent. fall at International, 20 per cent. at Bambergers, and 63 per cent. at May and Hassell. For while Meyer's competitors have all been showing falls in volume sales of around 15 per cent., Meyer's own volume decline has been something less. But what increase there has been in market share has been at the expense of margins, which ex-associates have fallen from 7.5 to 5.7 per cent. at the pre-tax level. So the static first half has been underpinned by loss elimination through an £855,000 turnround in associates, in particular Hallam, although nearly three-tenths of the improvement was accounted for by the disposal of the Hallam cabinet factory. Interest charges are 24 per cent. higher on a rise in short-term borrowings of a third to £40m. on stock purchases; the stock-turnover figure is running at around 4, which is only slightly below last year's level. Second-half profits are expected to be similar to the £6.63m. turned out in the previous second half, unless currency movements are especially adverse. On that basis the shares at 74p (down 1p) stand on a prospective P/E of 6.1, and yield 9.7 per cent., covered over two and a half times; which falls in line with the other timber concerns.

Receiver for Triang-Pedigree

By Stuart Alexander

Triang-Pedigree, the Merthyr Tydfil-based toy manufacturer, is being placed in the hands of a Receiver by the Government. This follows a decision by Airfix Industries not to take up an option on further shares in the company unless the Government was to offer further substantial assistance.

The company employs about 600 and Airfix bought a two-thirds stake for a nominal sum in 1975 in a Government-backed move to save it. In January this year Airfix was given an extra year by the Government to decide on a £400,000 investment. Yesterday Airfix said that it did not wish to take up the option, the Government said no more public funds would be available, so a Receiver will be appointed.

Until early this year it looked as though sufficient progress was being made but since then sales have slumped by half as the whole of the toy industry has struggled to keep up volumes. This has led to heavy losses for Triang and Airfix said yesterday there was no prospect of an improvement in the foreseeable future. It dod not wish to inject any more cash which would have attracted Government money on a one for two basis, nor increase its stake.

Two weeks ago Airfix reported profits down nearly £250,000 at £1.55m. at half-way, despite increase contributions from its Crayonne household plastics division and the footwear side. Destocking by retailers as well as reduced consumer demand were blamed. And the company was still reorganising the loss-making Meccano side in Liverpool.

Airfix is one of the five biggest toy manufacturers in the U.K.

INCH KENNETH KAJANG RUBBER—Interim dividend for 1977 0.60p (0.65p and 2.275p total). In the course of current year weather has adversely affected estates' crops. Nevertheless directors anticipate that it will be possible to maintain final distribution.

Bulmer's halftime drop is £1.72m.

WITH CIDER sales volumes showing a 14 per cent. drop, pre-tax profit of H. P. Bulmer Holdings plummetted 58 per cent. from £2.95m. to £1.23m. in the 26 weeks to October 28, 1977.

Mr. Peter Prior, chairman, says it is plain the main responsibility for the turnround in fortunes rests squarely on the shoulders of Government with its introduction of a 3p per pint excise on cider and perry.

He says the impact of the new cider duty has been much greater than he anticipated. In his annual report he said that the trend in sales at June gave him some hope that the growth rate would recover. But the recovery was only temporary and at the September AGM he warned shareholders that the cider sales drop would lead to a sharp reduction in first-half profits.

Mr. Prior points out that the average profit of Bulmer for the past three years has been £2.5m., while the amount of tax Bulmer had to find for the Exchequer for the first year under the new arrangements totalled £6.25m.

This was passed on to consumers with a 28 per cent. rise in wholesale prices. The price rise was compounded by poor summer weather and the effects of inflation on consumer spending power.

Total sales in cash terms rose 5 per cent. to £19.1m. in the period.

Cider sales in October and November have shown a modest volume increase compared with the same months last year, but Mr. Prior is reluctant to be optimistic. "The outcome of our Christmas trading is not yet known and I cannot therefore make any firm prediction of year-end profit although it seems certain that it will be well below that of last year." Profit for 1976-1977 was £3.87m., and Mr. Prior is confident of Bulmer's long-term future.

As well as the cider downturn Bulmer's pectin activity suffered production problems owing to apple residues from last season's crop being of unusually low quality. Also there was a serious failure of the lime crop in Africa and Florida which necessitated the use of more expensive alternate raw materials.

Recent supplies have been more satisfactory and a better performance is expected in the second half.

Wine and spirit operations and Australian activities did better in the half and preliminary results from the U.S. are reasonably encouraging.

To preserve cash flow capital expenditure of about £3m. has been deferred, and Mr. Prior says that without the duty increase there would have been at least 200 more people on the Bulmer payroll.

Despite the drop the company is paying two interim dividends of 2.2p and intends paying a 2.2p final in July, in line with predictions in the August Scheme of Arrangement documents.

Dividends last year totalled 3.1785p with two interims and a final of 1.0595p.

Earnings per share before extraordinary items and exchange gains are shown at 9.46p (27.48p) and after these items at 9.52p (28.04p).

Deferred tax of £7.12m. is to be transferred to shareholders' funds following the release of Exposure Draft 19.

	Half year 1977 £000	1976 £000	Year 1976-77 £000
Sales*	19,678	18,138	22,913
Cider, pectin	18,613	17,797	22,696
Wines, spirits	485	341	517
Trading profit	1,883	3,384	4,730
Cider, pectin	1,826	3,357	4,656
Wines, spirits	57	27	92
Property	—	—	—
Interest	413	329	649
Orchard expenses	198	131	262
Other debits	41	124	147
Profit before tax	1,231	2,902	3,666
Tax	262	173	287
Net profit	969	2,779	3,569
Exchange gains	6	13	27
Extra-ord. credits	—	44	52
Preference divs.	3	3	5
Available Ord.	972	2,834	3,673
Ord. dividends	449	213	320
Retained	523	2,611	3,353

* Excluding Excise Duty. † Credits.

● comment

Bulmer's interim figures show just how hard the group has been hit by the drop in volume following the imposition of excise duty which, combined with ordinary price rises, increased the price of cider by close to 50 per cent. over the past 12 months. However, this dramatic drop in profits—58 per cent. pre-tax—has not deterred the company from pushing ahead with its new developments in the U.S. and Germany, although this will result in higher borrowings; by the year-end these could be up to £6m. (£2½m. last April) though shareholders' funds will be £20m. with the inclusion of deferred tax. Trading is showing some signs of recovery. October was up 10 per cent. against the comparable period and November and December to date are also showing gains. Yet these are comparisons with a depressed period following the introduction of excise duty so the trend is hardly exciting. The shares shed 10p yesterday to 124p, but the yield of 8.4 per cent. should provide a reasonable prop.

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available whether dividends concerned are interims or finals and the subdivisions shown below are based mainly on last year's time-table.

TO-DAY

Interims—Beechwood Construction, N. Brown Investments, Distillers, First Union General Investments, Tex Abrasives, Trustees Corporation, Unigate, Weston-Evans, Wilkinson Match.

Finals—Associated Engineering, Buren Dean, Charterhouse Group, Dobson Park Industries, Greenall Whitley, Hawkins and Tipson, Marley, Pleasurama, Redman Heenan International, Southvaal, United Scientific, Vaux Breweries.

FUTURE DATES

Interims—	
Danks Cowerton	Dec. 20
Harris (Philip)	Dec. 29
Linfood	Dec. 20
Finals—	
BOC International	Dec. 21
Habit Precision Engineering	Dec. 23
North Midland Construction	Dec. 16
Sotheby Parke Bernet	Dec. 21

United Gas at £0.77m. so far

TAXABLE PROFIT of United Gas Industries jumped from £507,000 to £766,000 in the 26 weeks to October 2, 1977, in line with the September rights issue forecast of not less than £0.75m.

Turnover for the period rose from £16.1m. to £20.87m.

Directors say that since the start of the second half some industrial relations problems have arisen and difficulties are being encountered at its Autocontrols division in Cornwall. But it is expected that results for the year should show an improvement on last year's peak £1.44m.

The interim dividend on capital increased by the two-for-seven issue is up from 0.8125p to 0.99p. A 2.475p net per 25p share final was paid last year.

	Half year 1977 £000	1976 £000	Year 1976-77 £000
Sales	20,867	14,099	36,622
Trading profit	964	706	1,837
Interest	198	199	393
Profit before tax	766	507	1,439
Tax	398	264	759
Net profit	368	243	680
Preference divs.	43	45	90
Available Ordinary	323	198	591
Dividends	117	75	372
Leaving	206	123	219

Jacksons Bourne End in profit

Manufacturers of millboard, etc., Jacksons Bourne End achieved a pre-tax profit in the 28 weeks to October 15, 1977 of £71,900 including £17,600 from the sale of houses.

For the 1976-77 first half there was a pre-tax deficit of £69,700 which had been reduced to £26,290 by the year end.

The directors say the outlook for the rest of the current year is reasonably promising for the board conversion side. The cutback in the board mill will reduce the strain in results from that direction, they add.

If satisfactory progress is made the directors expect to recommend a final dividend. The last payments were for 1975-76 and totalled 2.8465p net.

Tax for the 28 weeks takes £38,000 (credit £36,200) and there was an extraordinary expenditure provision for redundancy pay on reorganisation of £25,500 (nil) after tax relief. Earnings, before the extraordinary item, are shown at 3.2p (loss 3.2p) per 25p share.

In the full year accounts provision will be made for the writing-off of certain plant now taken out of use.

Trafalgar House

ACL · CAMEL · Hotel Bristol · Trollope & Colls · FLT · Cementation · CUNARD · City & West End Properties · CUNARD BROCKLEBANK · Willett · Cambridgeshire Hotel · RITZ LONDON · PORT LINE · TIAC transmeridian Air Cargo · RASHLEIGH PHIPPS · Trafalgar House Developments · Ideal Homes · CLEVELAND BRIDGE AND ENGINEERING · Bridge Walker Ltd · AGENT PLANT HIRE · Clark & Fenn · CUNARD International Hotels · Offshore Marine

RESULTS for the year ended 30th September 1977
(subject to final audit)

1975/76 Profit £'000s	Operation	Profit £'000s	Turnover £'000s	Number of Employees
13,476	Property and investment	15,966	29,920	195
14,758	Construction	16,857	310,486	19,563
9,376	Shipping, aviation and hotels	17,664	222,596	7,631
—	Newspapers (from 1st July 1977)	(239)	24,260	7,226
37,610		50,248	587,262	34,615
3,995	Less: Interest on funded debt	3,834	(1976 – 471,314)	
33,615	Profit before tax	46,414	Gross assets £556 million (1976 – £436 million)	
21,615	Profit after tax and extraordinary items	30,164	Net assets £147 million (1976 – £91 million)	
14.2p	Earnings per Ordinary Share	18.6p		

The 1977 Report and Accounts will be posted to Shareholders on 22nd December 1977 and copies may be obtained from the Secretary, 1 Berkeley Street, London W1X 6NN.

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Together,* we make things work

*With apologies to the 104 companies omitted from this advertisement.

GUINNESS

Preliminary Announcement of Profits and Dividend
52 weeks ended 24th September, 1977

	Notes	1977 £000	1976 £000
TURNOVER	1	498,849	413,878
PROFITS			
TRADING PROFIT	2		
Brewing		29,173	31,261
Confectionery		293	487
General Trading		6,297	3,499
Leisure		576	—226
Plastics and Materials Handling	3	2,502	980
Property		137	157
		38,978	36,158
Interest charges		6,333	6,069
		32,645	30,089
Investment income		987	917
Share of profits of associated companies	4	5,818	8,306
PROFIT BEFORE TAXATION		39,450	39,312
Taxation	5	18,236	18,198
PROFIT AFTER TAXATION		21,214	21,114
Minority interests		2,936	2,203
		18,278	18,911
Extraordinary items	6	2,147	2,690
PROFIT ATTRIBUTABLE TO STOCKHOLDERS		16,131	16,221
DIVIDENDS		6,051	5,348
RETAINED PROFIT OF THE GROUP		10,080	10,873
EARNINGS PER 25p STOCK UNIT		21.3p	22.2p

PROPOSED FINAL DIVIDEND FOR 1977

The Directors propose a payment on 10th February, 1978 of a final dividend of 4.6387p per 25p stock unit.

The proposed final dividend together with the associated tax credit is equivalent to 7.0283p (6.3391p) making a gross equivalent of the total dividends for the year 10.6350p (9.6683p). This represents an increase of 10% compared with last year which is the maximum permissible under the current counter-inflation legislation.

NOTES

1. The following table analyses turnover by sales to customers located in each territory:—

	1977 £m	%	1976 £m	%
United Kingdom	227.9	46	191.8	46
Republic of Ireland	147.7	30	131.7	32
Overseas	123.2	24	90.4	22
	498.8	100	413.9	100

2. (a) Trading profit is after charging depreciation of £10,643,000 (£9,737,000) and profit sharing scheme £1,681,000 (£1,869,000).

(b) The following table shows the trading profit of holding and subsidiary companies resident in each territory:—

	1977 £m	%	1976* £m	%
United Kingdom (including exports)	13.4	34	8.6	24
Republic of Ireland (including exports to U.K. and overseas)	15.4	40	18.8	52
Overseas	10.2	26	8.8	24
	39.0	100	36.2	100

* Figures not comparable with previous years when the analysis was on the basis of profits attributable to sales in home and overseas markets.

(c) The increase of £1.4m in overseas trading profit includes £0.5m which can be attributed to the conversion of this year's profit at exchange rates which were more favourable than those used in converting last year's profit.

3. White Child & Beney Ltd. became a subsidiary of the Guinness Group on 14th February, 1977. In view of the short period between 14th February and 27th March, 1977, the date to which the interim results of White Child & Beney Ltd. were made up, the results of the plastics and materials handling division only include the figures for that company's second half year.

4. The attributable proportion of profits is included in respect of the following associated companies: Harp Lager Ltd., Cantrell & Cochrane Group Ltd., Guinness Ghana Ltd., Guinness (Nigeria) Ltd., Sierra Leone Brewery Ltd., Savage Smyth & Co. Ltd., Taunton Cider Co. Ltd. and associated companies of Morison Son & Jones International Ltd.

5. (a) Taxation includes deferred taxation and consists of:—

	1977 £000	1976 £000
Holding and subsidiary companies		
Taxation arising in—		
United Kingdom	5,725	4,323
Republic of Ireland	5,672	6,070
Overseas	4,171	3,490
	15,568	13,883
Associated companies—share of taxation	2,668	4,315
	18,236	18,198

(b) U.K. Corporation tax has been provided at the rate of 52% (52%).

6. Extraordinary items include charges relating to:—

	1977 £000	1976 £000
Revenue expenditure arising in connection with modernisation of Dublin brewery	2,259	1,874
Terminal costs mainly relating to non-brewing activities	591	608
Net book loss on disposal of properties and investments and repayment of currency borrowings	396	547
Provision to write down premiums previously capitalised as goodwill on acquisition of shares in subsidiary companies		979
	3,246	4,008
Less tax relief and minority interests	1,099	1,318
	2,147	2,690

Summarised Group Balance Sheet at 24th September, 1977

	1977 £000	1976 £000
SOURCES OF CAPITAL		
Ordinary stockholders' equity	134,497	120,670
Deferred taxation, provisions and outside shareholders' interests	40,731	32,719
Loans	58,962	46,088
	234,190	199,477
EMPLOYMENT OF CAPITAL		
Fixed Assets	141,631	126,321
Goodwill	15,552	13,570
Investments	32,360	29,994
Net current assets excluding liquid funds	55,771	46,257
Cash and deposits	17,000	11,927
	262,314	228,069
Less bank overdrafts and short term loans	28,124	28,592
	234,190	199,477

Extracts from the Chairman's Statement

GENERAL

Group turnover is up by 21%, but trading profit by only 8%. The source of profits has markedly changed this year, about 25% now coming from our non-brewing activities.

INFLATION ACCOUNTING

The approximate effect of applying the interim recommendation published by the Accounting Standards Committee on 4th November, 1977 would be to reduce the group profit before taxation by £14.8m (37%). This reduction arises from the deduction of £20.3m, representing additional depreciation of £12.2m and the cost of sales adjustment of £8.1m and the addition of a gearing adjustment of £5.5m.

DEFERRED TAXATION

The approximate effect of adopting the principles contained in the proposed statement of standard accounting practice on deferred taxation (ED19) would have been to reduce the Group's taxation charge by £5.0m (£2.7m) after allowing for Advance Corporation Tax of £1.2m (£0.7m) not immediately recoverable. After adjusting for minority interests earnings would have increased by £4.8m (£2.7m) to £23.1m (£21.6m) representing 26.9p (25.4p) per 25p Stock Unit.

BREWING

Trading profit in the Republic of Ireland fell by nearly £3.5m demonstrating the effects of a year's price freeze during times of inflation.

Sales in Great Britain, which had suffered during the exceptionally hot summer of 1976 showed a welcome recovery, checked however by the decline in people's spending power.

Our overseas brewing operations have produced another excellent performance. Our existing markets remain buoyant and we continue to explore new ones, with encouraging results.

GENERAL TRADING

Morison Son & Jones have again increased their profits overseas and continue to expand successfully in the home markets.

PLASTICS AND MATERIALS HANDLING

GPG and WCB have increased their profits substantially and are well poised to take advantage of any opportunities for further growth.

LEISURE

Our leisure interests in both cruising and holiday centres are expanding and we look forward to another record year in 1978.

ARTHUR GUINNESS SON AND COMPANY LIMITED

Shipping helps Trafalgar House to £46.4m.

AFTER RISING from £14m. to £21m. in the first half, pre-tax profits of Trafalgar House finished the year to September 30, 1977, ahead from £33.6m. to £46.4m. Turnover expanded from £471m. to £587m. including overseas sales of £240m. compared with £200m.

Earnings are shown to be up from 14.2p to 18.6p per 20p share and the dividend is raised from 4.62p to 5.16p with a final of 2.62p.

Shipping, aviation, and hotels contributed most to the increase in profits with an advance from £9.38m. to £17.66m. Property added £7.92m. (£3.43m). investment activities £8.05m. (£8.03m.), contracting, civil, structural and specialist engineering and house-building £16.86m. (£14.76m.), and newspapers, from July 1, 1977, a loss of £239,000 (nil).

Of the shipping etc., surplus £3.89m. (£1.73m.) came from the sale of ships.

A surplus of £6.3m. (loss £16m.) from exchange fluctuations has been credited to reserves.

	1976-77 £000	1975-76 £000
Turnover	587,000	471,000
Property profit	7,923	3,447
Investment activities	8,051	8,029
Contracting, etc.	16,857	14,738
Shipping, etc.	17,664	9,376
Newspapers loss	239	—
Interest	2,534	2,995
Revenue before tax	46,414	33,615
Tax	16,245	11,765
Net revenue	30,169	21,850
To minorities	172	305
Extra-ord. credits	757	70
From reserves†	23	132
Making	30,199	21,767
Ord. dividends	8,223	7,037
Pref. dividends	10	80
To accum. revenue	21,977	14,650

† Redevelopment properties.

See Lex

This will entail a drastic reduction on overhead costs, which should stabilise the position so that advantage can be taken of any improvement in demand which they say must inevitably come.

The loss was incurred after depreciation of £116,115 (£189,182). After a tax credit of £221,022 (£96,475) loss emerged as £211,854 against £66,206.

Caird Dundee increased loss at midway

Space dyers and carpet printers Caird (Dundee) increased its pre-tax deficit for the 26 weeks to September 24, 1977, from £162,681 to £432,876, and again there is no interim dividend—the last payment was 1.9486p net per 25p share for 1974-75.

The directors state that to improve liquidity and enable the group to operate within its resources, they feel it necessary to substantially reduce the manufacturing activities of the group.

Durapipe first half expansion

PRE-TAX profit of Durapipe International expanded from 362,376 to £550,387 for the six months to September 30, 1977, following a record £927,344 for the 1976-77 year. Sales for the half year were ahead to £4.04m. against £2.82m.

In July Mr. J. F. Pearce, the chairman, said that provided there were no particular setbacks the group should continue to prosper. The directors state that the second half has been affected by unofficial strikes at both operating companies, Durapipe and Ansell, Jones and Co. and as a result group profit for the full year is bound to be affected. However, provided there are no further setbacks, last year's profit should be improved upon, they add.

The interim dividend is increased to 0.926p (0.862p) net per 25p share—last year's final was 2.79p. After tax of £286,201 (£188,436) net profit emerged as £264,186 (£173,940).

The company manufactures plastic pressure pipes and fittings and fishing tackle.

Dundonian up at halfway: sees record

On turnover up 56 per cent. to £184,347 taxable profit of Dundonian jumped 57 per cent. from £38,535 to £60,542 in the September 30, 1977 half year.

Historically the majority of the company's profit is earned in the second half and a substantial increase on last year's record £103,054 annual pre-tax profit is anticipated.

Directors say trading activities have been augmented by the progressive development of tin and tungsten prospects in Devon and Cornwall. Exploration is advancing satisfactorily and progress to date indicates that, conditions permitting, production in one area will start next year. The ore will be processed locally on a contract basis.

Half-year profit was before tax of £18,100 (£15,414), and earnings per share are shown at 2.46p against 1.56p. The interim dividend on capital increased by a one-for-one rights issue is 1p (same). A 0.936p final was paid last year.

Phoenix Timber slumps

ON SALES down from £18.71m. to £17.62m. for the six months to September 30, 1977 pre-tax profits of Phoenix Timber slumped from £1.41m. to £0.52m. The expected revival in the building industry failed to materialise, the directors state, and the group's turnover and margins have come under pressure. Trading results for the second half, they add, will depend substantially upon an upturn in the building industry. Profit for the 1976-77 year was £2.35m.

Stated earnings per 25p share have fallen from 23p to 9p for the half year. The interim dividend is maintained at 2p net. Last year's final was 1.84496p.

Exchange losses for the period on foreign currency loans were reduced to £16,000 (£135,000); there was no provision against overseas investment against £104,000 last time, and there was also an extraordinary debit of £12,000 for the period.

	Six months 1977 £000	1976 £000
Sales	17,618	18,710
Trading profit	1,086	1,798
Financial charges	548	385
Pre-tax profit	528	1,413
Deferred tax	279	778
Net profit	239	635
Extraord. debits	23	239

Asda ahead to £11.5m. so far

PRE-TAX PROFITS for the half-year to October 29, 1977 at Associated Dairies advanced from £9.56m. to £11.48m. on turnover of £246m. compared with £196m.

Earnings are shown to be ahead from 5.77p to 6.9p per 25p share. The interim dividend is effectively held at 0.45p net. Last year's total was equal to 0.774399075p after the one-for-three scrip issue. Profits came to £23.92m.

	Half year 1977 £000	1976 £000	Year 1976-77 £000
Turnover	246,000	196,000	422,000
Trading profit	10,545	8,737	21,923
Other income	933	821	1,981
Profit before tax	11,478	9,558	23,924
Tax	5,969	4,970	12,664
Net profit	5,509	4,588	11,260
To minorities	5	5	8
Extraord. credits	—	3	11
Pref. dividends	10	10	19
Available for Ord.	5,494	4,576	11,244

● comment

At Associated Dairies' annual general meeting at the end of October the chairman estimated that first half profits would rise by 20 per cent. and they have done just that. Nevertheless, the stock market was [illegible] appointed — the share[illegible] 10p to 235p — and it is [illegible] after last year's heady [illegible] rates of 60 per cent. plus [illegible] the first and second half[illegible] gress this year is going [illegible] less spectacular (but, [illegible] space rose by around 3 per [illegible] above average). Asda's [illegible] and for the group as a [illegible] sales volume was up by [illegible] 8 per cent. with non-food [illegible] volume (excluding the [illegible] accounts for a quarter of [illegible] rising by 25 per cent. In [illegible] with all the big high st[illegible] retailers Asda has felt [illegible] creased competition from [illegible] price cutting war — it [illegible] that the gap between the [illegible] and lowest prices for [illegible] in the large multiples has [illegible] rowed from ten points to [illegible] three points over the [illegible] However, the competition [illegible] levelling off and with [illegible] per cent. growth in the [illegible] half, it should be able [illegible] its profits up to £29[illegible] last year's £23.9m.).

County and District makes progress

WITH RENTAL income ahead from £705,925 to £803,000, the amount available for distribution of County and District Properties more than doubled from £111,686 to £248,088 for the six months to September 30, 1977.

The directors state that taking into account the strong financial position of the group, a satisfactory outcome is expected for the second half. For all the previous year, a £0.31m. pre-tax profit was achieved.

Owing to available unrelieved revenue losses brought forward, no tax is payable on half-year profit. Stated earnings per 10p share are 2.48p (1.12p) and an interim dividend of 0.4356p net is to be paid with a similar final anticipated, which would be the maximum permitted—last year's single payment was 0.792p and directors say it would be their intention to recommend a substantial increase, in the event of restrictions being lifted.

As a result of improved circumstances, the directors consider that the overall market value of properties is well in excess of the book value.

Further useful progress has been made in respect of development sites, they add. An important example is that planning consent has been obtained for 70,000 square feet of offices on part of the Hounslow site, following a successful appeal. This is the first stage of a major proposed development, comprising 225,000 square feet of offices in this prime location.

Finance threat to Guernsey

GUERNSEY'S Government revenues would be in "serious trouble" without the island's finance industry which has seen tremendous [illegible] become the main contributor [illegible] Island's Parliament [illegible] yesterday.

Mr. Edward Collas, [illegible] "Chancellor," giving his Budget speech warned [illegible] recent 20 per cent. pay [illegible] for Government staff [illegible] accompanied by greater [illegible] tivity, would place the [illegible] economy at risk. The [illegible] had already cut the [illegible] 1980 £2.5m. surplus to £1[illegible]

Work starts on £1.8m. Wirral factory

CONSTRUCTION WORK [illegible] gun on the Department [illegible] Industry's seven advance [illegible] at Bromborough, [illegible] Estate, Wirral. The £1.8[illegible] tract has been awarded [illegible] land Hannen and Co[illegible] Bromborough, and the [illegible] are Associated Design [illegible] of Liverpool, the English [illegible] trial Estates Corporation [illegible] nounced yesterday.

The corporation also [illegible] statement that construction [illegible] was about to start on the [illegible] ment's seven advance factories in King Edward [illegible] Liverpool. A contract, [illegible] around £1.75m., has been [illegible] to Norwest Constructions [illegible] ing) of Liverpool and [illegible] Design Consultants in [illegible] tects.

The Bromborough [illegible] to be ready for [illegible] December, 1978, and [illegible] Edward Street premises [illegible] 1979.

Advance by J. & H. Jackson

IRON, STEEL, and non-ferrous merchants, J. and H. B. Jackson reports taxable profits advanced from £1,958,175 to a record £2,285,133 for the year to September 30, 1977, on increased sales of £19.54m. against £16.97m.

At halfway, when reporting improved profits of £1.16m. (£0.97m.), the directors said they expected full year results to show a satisfactory increase over the previous 12 months.

They now say that the general trading level in the group is reasonably satisfactory, considering the current difficult business conditions.

Full year profit includes a surplus of £176,028 (£84,050) on the sale of investments. Tax took £682,700 (£318,264) leaving stated earnings up from 4.1p to 5.2p per 5p share. A final dividend of 0.50125p makes the maximum permitted 0.9075p (0.8125p) total.

The directors propose a scrip issue of preference shares to Ordinary holders on the basis of one new 10 per cent. Preference for every 20 Ordinary. The issue of the new Preference shares is not expected to affect the level of future distributions to be made on the Ordinary.

Downturn at Cronite

Turnover for the year to September 30, 1977, of Cronite Group jumped from £3.71m. to £6.08m. but profits fell from £229,424 to £92,762 after tax of £166,530, against £144,261, but excluding exceptional items.

Earnings are shown at 3p (3.3p) per 25p share and the dividend is held at 2.41875p net with a final of 1.6875p.

Improvement at Movitex

Plastic and specialised engineers Movitex reports pre-tax profits of £60,000 for the six months to August 31, 1977, compared with a loss of £32,000, on turnover of £1.3m. against £0.97m.

The directors say the improvement has been maintained in the third quarter. Profits for all 1976-77 came to £130,125.

After tax of £16,000 (£10,000) etc the half year attributable balance is £40,000 (loss £44,000).

Again there is no dividend. The last payment was 0.7p net for 1973-74.

M & G Second Dual to pay at least 5p

The directors of M and G Second Dual Trust are raising the interim dividend for the current year from 2.3p to 2.75p net and forecast a final of at least 2.25p, making a full year total of not less than 5p per 10p share, compared with 4.34p for 1976-77.

Net revenue after tax for the six months to November 30, 1977 increased from £234,985 to £279,731. For all the previous year, a figure of £434,039 was reported.

Net asset value of 4p capital shares was 42.4p at half-year end.

SHARE STAKES

Heron Motor Group—Heron Corporation has acquired a further 50,000 Ordinary shares and now holds 105,000 (75 per cent.).

Britannia Arrow Holdings—Mr. K. P. Ney, director, purchased 10,000 Ordinary shares on December 12 at 13p.

Brownlee—Mr. T. B. Paisley, director, sold 40,000 Ordinary shares, thereby reducing his holding to 389,800.

Cope Sportswear — Mr. H. M. Ross now holds a total of 256,782 shares (5.558 per cent.).

Reed and Smith Holdings—St. Regis International has acquired a further 10,000 Ordinary shares and now holds 19.4 per cent.

Airflow Streamlines—Interest of Minster Assets Group is now 300,000 shares (11.6 per cent. against 12.8 per cent. previously).

WESTERLY MARINE

Turnover of glass fibre yacht builders Westerly Marine Construction for the year to July 31, 1977, was £7.1m., up by £2.2m. on 1976. Exports accounted for 52 per cent. of turnover.

Profit rose from £497,000 to £720,000.

Mr. David Sanders, the chairman, expects similar results for the current year. Export margins are under pressure because of the increase in the value of sterling but new models will make a significant contribution to profits.

S. Casket well placed for good result

Mr. Philip Casket, chairman of S. Casket Holdings said at yesterday's AGM the company was well placed to achieve a good result in the first half of the current year with sales to date ahead of budget.

It was too early to forecast how the second half would turn out but future order books were healthy. A satisfactory full-year result is anticipated.

In the year to June 30, 1977, taxable profit declined from £0.91m. to £0.73m., and dividends totalled 1.95p per 10p share.

CDC INVESTS IN SPORTS GOODS

As part of a financial package involving £80,000, Charterhouse Development Capital has acquired an option to purchase 20 per cent. of the equity of Faulkner and Co. (Sports and Toys), whose main subsidiary, the Frisbee Company, is a fast-growing distributor of sports goods to 2,000 retail outlets in the U.K.

The company was started three years ago to market an American sports product, the Frisbee disc, in the U.K. Other products such as skateboards, dual-controlled kites and trachall are now also marketed in the U.K. The company has recently acquired the Frisbee licence for much of the rest of Europe.

Turnover of Faulkner increased from £100,000 in the initial year, 1975, to a figure of £600,000 in the current year.

MONEY MARKET

Signal on interest rates

Bank of England Minimum Lending Rate 7 per cent. (since November 25, 1977)

The authorities indicated a desire for short-term interest rates to remain stable for the time being by sending a signal to the London money market yesterday. This probably means that the Bank of England would be unhappy to see Minimum Lending Rate reduced before the New Year. Interest rates rose slightly after the signal, with discount houses buying rates for three-month Treasury bills finishing at 6⅞-6¾ per cent., comfortably above the trigger point for a cut in MLR. Treasury bill rates have not pointed towards a fall in MLR at any time this week, but there has been much speculation that a fall would occur unless the authorities took steps to prevent it.

Day-to-day credit was in short supply, and the authorities gave a signal by lending a moderate amount for seven days, to seven or eight houses at MLR. They also lent a large amount overnight, to the same number of houses at MLR, and the total amount of help was extremely large.

Banks brought forward surplus balances, and Government disbursements exceeded revenue payments to the Exchequer, but these were outweighed by a fairly large net take-up of Treasury bills, an increase in the note circulation, and repayment of the very large amount lent to the market on Tuesday.

Discount houses paid 5-7 per cent. for secured call loans. The interbank overnight rate opened at 7½-7¼ per cent., and touched 7½-8 per cent., before easing to 3-4 per cent. at the close.

Rates in the table below are nominal in some cases.

Dec. 14 1977	Sterling Certificate of deposits	Interbank	Local Authority deposits*	Local Auth negotiable bonds	Finance House Deposit	Company Deposits	Discount market deposits	Treasury Bills ♦	Eligible Bank Bills ♦	Fine Trade Bills ♦
Overnight	—	5-8	—	—	—	7½	5-7	—	—	—
2 days notice	—	—	6½-6¾	—	—	7½	—	—	—	—
7 days or 7 days notice	—	7-7½	6½-6¾	—	7-7½	—	6½-7	—	—	—
One month	6½-6⅝	6 11/16-6 13/16	6½-6¾	7-6½	7-7½	7	6¼-6⅜	6 7/16	6⅝-6 11/16	7
Two months	6½-6⅝	6⅝-6⅞	—	7-6½	7-7½	—	6¼	6 11/16-6⅝	6⅝-6⅝	7½
Three months	6½-6⅝	6⅝-6⅞	6½-6¾	7-6½	7-7½	6⅞	6⅜	6 11/16-6 13/16	6 9/16	7¼
Six months	7 1/16-6⅞	6⅞-7¼	6⅞-7	7¼-6¾	7½-7¼	—	—	—	6¾-6 15/16	7¾
Nine months	7⅜-7⅛	7¼-7½	—	7¾-7¼	7⅝	—	—	—	—	—
One year	7 1/16-7⅝	7½-7⅝	7½-7¾	7¾-7¼	8	—	—	—	—	—
Two years	—	—	8⅝-8¾	—	—	—	—	—	—	—

Local authorities and finance houses seven days' notice, o[illegible] rates nominally three years 9½-9¾ per cent.; four years 10½ per cent.; five years 10¾-10½ per cent. ♦Bank bill rates in table are buying rates for prime paper. Buying rate for four-month bank bills 6⅞ per cent. four-month trade bills 7⅞ per cent.

Approximate selling rate for one-month Treasury bills 6 15/16-6⅞ per cent. two-month 6⅞-6 29/32 per cent.; and three-month 6 29/32-6 27/32 per cent. Approximate selling rate for one-month bank bills 6⅞-6 13/16 per cent. two-month 6 27/32-6⅞ per cent.; and three-month 6 13/16-6 15/32 per cent. One-month trade bills 6⅞ per cent.; two-month 7 per cent.; and also three-month 7⅛ per cent.

Finance House Base Rates (published by the Financial Houses Association) 8½ per cent. from December 1, 1977. Clearing Bank Deposit Rates (for small sums at seven days' notice) 3½-4½ per cent. Clearing Bank Rates for lending 8½-7½ per cent. Treasury Bills: Average tender rates of discount 6.2384 per cent.

Laurence Scott Limited

Interim Statement

Unaudited Results for the six months to 30th September 1977

	Six months to 30.9.77 £000	30.9.76 £000	Year to 31.3.77 £000
Group Turnover	14,710	13,591	[illegible]
Profit before taxation	1,024	1,021	[illegible]
Profit after taxation	492	490	[illegible]
Earnings per share	5.76p	*5.73p	*16.7[illegible]
Dividends per share	2.00p	0.80p	[illegible]

*Adjusted to reflect the issue of 875,000 shares in September 1977.

Interim Dividend: in line with the 5p annual dividend indicated in the share placing letter of 2nd September [illegible] and payable on 31st March 1978 to shareholders on the register on 4th March 1978.

Half-year Profit: adversely affected by a 10-week stoppage in one works.

Activity: despite sluggish demand for capital equipment, order input is supporting present level of production.

December 14th 1977

Manufacturers of electric motors and control equipment

LONDON SHOP PROPERTY TRUST LIMITED

Sir Cyril Black reports on the year ended 30th April 1977

Results for the year

	1977 £	1976 £
Profit before tax	538,079	500,6[illegible]
Cost of Dividends	378,395	374,5[illegible]
Shareholders funds	10,741,757	9,740,3[illegible]

- Property revenue up from £1.21M to £1.26M.
- Property and investment trading increased from £196,000 to £342,000.
- Income from Associated Companies rose to £178,000 from £61,000.
- Shareholders funds £10.7M compared with £9.7[illegible]
- During first eight months of calendar year 1977 rental increases arranged amounting to about £220,000 per annum.
- Properties valued in 1972 at £3.03M have since been sold for aggregate prices of £3.75M.
- Professional valuation of properties to take place at 30th April, 1978.
- Future of Group viewed with restrained optimism.

BIDS AND DEALS

Tilling's further U.S. growth with $26m. offer

BY JAMES BARTHOLOMEW

Thomas Tilling, the industrial holding company, is bidding to make its biggest yet investment in the U.S. through a $26m. cash offer for Clarkson Industries.

Clarkson claims to be the largest U.S. producer of centrifugal compressors for aerating sewage. Its general business is related to pollution control, heating air handling and liquid refrigeration systems.

It will therefore fit in with Tilling's existing environmental control interests which are managed through the DCE Vokes group with a subsidiary in the U.S.

Tilling claims that the two businesses complement each other and facilitate exchanges of technology. The intention is to go for international expansion with the advantage that there will be two alternative bases from which to spring.

The bid by Tilling is part of a programme of investment in the U.S. which began in January this year with the $15m. takeover of Immedco, a medical supplies company.

Then in May, Tilling made a £[illegible] rights issue, explicitly to diversify geographically. The Clarkson offer will only absorb a [illegible] of the rights issue money plus the attendant borrowing facility. Mr. Colin Draper, deputy managing director of Tilling, said that more U.S. investments were on the way. He has been living there since March, looking for suitable candidates.

But as well as buying new companies in the U.S., Mr. Draper said Tilling intended to expand existing companies there and also look for suitable bases for Tilling companies currently trading elsewhere in the world. Except where a strategic decision had been made to go for a particularly attractive sector, Tilling would continue its policy of developing established interests.

Stewart Fleming writes from New York: Mr. Revis Stephenson, chairman of Clarkson, said that the agreement with Tilling would enable Clarkson to expand both in the U.S. and abroad through acquisition and internal growth. He pointed out that its desire to expand was restricted by the recent low level of its share price—around $19 before the offer—which compared with a book value of $17. "There is no such thing as equity financing for companies selling at book value," he said, referring to the cost of raising funds in this situation.

About one quarter of Clarkson's business is overseas and he claimed about 60 per cent. is internationally orientated. The link with Tilling would create new opportunities overseas, he suggested.

In its latest financial year Clarkson generated sales revenues of $31.6m. and taxed profits of $1.8m. For the first six months to end October, 1977, sales were $17.9m. and earnings $1.1m.

He suggested that one of the attractions of the merger is the tradition that Tilling allows local autonomy to its management. Mr. Stephenson argued that the company's existing management could handle a considerable increase in order volume.

B.I.T. ACCEPTANCES

The last minute attempt on the part of the National Coal Board Pension Funds to induce small shareholders to part with their shares in the British Investment Trust by providing them with facilities for accepting the offer through the branches of Midland Bank in England and Wales, Clydesdale Bank in Scotland, and Northern Bank in Ireland, produced a surprisingly high response.

In addition to the 40,300,695 acceptances already received, the bank branch network produced another 1,860,109, bringing the NCBPF's total (including non-assented shares bought through the market) to 79.05 per cent. of BIT's equity. The bidders and the Board of BIT are to get together to-morrow to discuss their next moves.

Thomson pulls out of STV

Thomson Organisation has now disposed of its last remaining shareholding in Scottish Television, the venture which was started in 1956 by the late Lord Thomson of Fleet. A holding of 1,107,253 non-voting "A" shares (21.4 per cent.) has been placed with a number of Scottish investors at a little under 50p each, a few pence below the market price of 53p, up ½p last night. A further 150,000 of the shares have been earmarked for placing with a Scottish Television employees' trust being set up by the company.

In addition, 7,000 7 per cent. cumulative Preference voting shares of STV, representing 25 per cent. of this class which is not quoted, have been placed, at a price equal to the £1 nominal value, with the buyers of the "A" shares in the ratio of those purchases. This is subject to the approval of the IBA. A majority of the voting shares are held by the directors of STV, whose chairman is Mr. J. Campbell Fraser, also managing director of Dunlop Holdings.

A spokesman for Thomson said: "Our holding in STV has for some time not been an active one and has been relatively small compared with our interests in publishing, travel and North Sea oil. We would have been happy to continue with it but as STV felt uncomfortable with a passive 25 per cent. shareholder, we were very ready to arrange for the placing.

Glenlivet agrees on 510p

[illegible] offer by the Canadian [illegible] giant, Seagram, for malt [illegible] distillers, Glenlivet, is now [illegible]ly on. Seagram has won [illegible]ment from the Glenlivet [illegible] for a £47m. bid after it [illegible]ven Glenlivet a wide range [illegible]urances on the future of the [illegible]any.

[illegible]livet is to remain an independent Scottish company and will [illegible]e integrated in Seagram's U.K. interests, and Seagram [illegible] complete the current [illegible]lopment programme.

[illegible]gram has also had to lift its [illegible] price to 510p, which is 110p [illegible] the price it paid for the [illegible] cent. stake it bought from [illegible]ial Group last month which [illegible]d off the bid talks.

[illegible] this level the directors and [illegible]liate family of Glenlivet announced that they intend [illegible]cept the bid on behalf of [illegible] own 3½ per cent. of the [illegible].

[illegible]gram will also make an offer [illegible]370,000 Preference shares [illegible]ash per £1 share. Holders [illegible] convertible stock will be [illegible] agree to a cancellation [illegible]tock in return for a price [illegible] their benefits had they [illegible]sed their conversion rights.

[illegible] official offer documents are [illegible] to contain a profit forecast [illegible] Glenlivet which in the first [illegible] month of this year produced [illegible]x profits of £1.54m. It is [illegible] regarded in the market that [illegible] year profits will be around [illegible] at the pre-tax level. Post-tax [illegible]ngs should also be boosted [illegible]anges in accounting practice [illegible]ake advantage of full stock [illegible] and deferred tax regula-[illegible].

[illegible]ere are already strong trad[illegible] links between the two com[illegible]s. Seagram markets the [illegible]livet brand in the U.S. and is [illegible] a substantial customer of [illegible]livet's through one of its U.K. [illegible]diaries.

[illegible]ANE FRUEHAUF

[illegible] William Grace, the newly [illegible]d chairman of Crane Fruehauf announced yesterday that the [illegible]auf Corporation now owns [illegible] rights to 90 per cent. of [illegible]ne shares.

[illegible] also said that "now the [illegible]inties of the past 12 [illegible] were behind, the way was [illegible] to maintain and expand Crane's position as the U.K.'s largest manufacturer of trailers and semi-trailers."

LEISURE AND GENERAL TO PAY MORE

As a key part of its bid defence against the £6.2m. bid from Ladbroke Group, the Leisure and General Board has obtained Treasury permission to increase its dividend by 93.4 per cent. The gross payment will be raised from 1.9578p to 3.7879p (net 1.382p to 2.5p), it is disclosed in the rejection document.

Leisure and General argues that since it would be possible for Ladbroke to borrow the purchase money of £6.2m. at a cost of around £380,000 per annum (assuming a 9 per cent. interest charge) it would be gaining a real return of £365,000 per annum assuming that Leisure and General's last declared full year profits of £923,000 were maintained.

It also stresses that Ladbroke would not be able to construct a similar trading base to Leisure and General: hence the bid.

Meanwhile, Leisure and General points out that when the 19.4 per cent. of the equity held by directors is aggregated with that of the shareholders who have indicated they do not intend to accept, the total dissenting equity comes to 34 per cent.

At 60p per share bid, Leisure and General's shares yield 6.3 per cent. on the uplifted dividend.

ALLIED INVESTS. IN TALKS WITH NEB

Allied Investments, the nursing homes and medical supplies group chaired by Sir Richard Marsh, is in discussions about a bid from the National Enterprise Board and the three main institutional shareholders.

An announcement made when the shares were suspended at the company's request pending a further statement, said the talks were about the terms of an offer which it was the firm intention of the consortium of the NEB and the three institutional shareholders to make. The three are Commercial Union Assurance and Orion Bank, each with a 15.32 per cent. stake, and London Trust, with 14.24 per cent.

At the time of the suspension, the shares stood at 47p, valuing the company at some £6m. The State-owned NEB is associated with Allied through its now controlling shareholding in the United Medical company—formerly owned by Allied—whose business is to export medical supplies and services.

Allied, which has had difficulties in collecting certain debts due from the Middle East, has acknowledged that it requires more capital.

UDT SELLS STAKE IN WIGFALL

In line with its policy of reducing investment in peripheral areas, United Dominions Trust has sold its 25 per cent. stake in Henry Wigfall, the retail and rental company specialising in consumer electrical goods.

The shares were sold to about 40 or 50 clients of Rowe Rudd said a director. Mr. Gerald Kelly. He emphasised that the shares had not come to Rowe Rudd directly from UDT but through a third party. They had been sold on at 138p per share which compares with a closing price yesterday of 142p. The deal is therefore worth about £1.9m.

RUGBY CEMENT

To enhance the prospects of extending its business activities overseas Rugby Portland Cement has acquired a 50 per cent. interest in the Luxembourg-based Compagnie Financiere Pour La Recherche Et Le Developpement. This stake has been purchased for Luxembourg francs 8m. from Societe des Ciments Francais, which is to retain the other 50 per cent.

STANLEY GIBBONS

Stanley Gibbons says that it is not engaged in talks with Spink and Son regarding a possible merger, and is not expecting any such talks to start.

SUPARA INV.

The unconditional offer by Warren Tea Holdings for Supara Investments will remain open, and outstanding stock will be compulsorily acquired. Warren now controls 92.3 per cent. of the Supara capital.

MINING NEWS

A boost from Southvaal

BY KENNETH MARSTON, MINING EDITOR

THE IMPACT on Southvaal of the expanded flow of royalties from the mining of Vaal Reefs' south gold division is underlined by the news that 1977 net profits of the South African holding company have advanced to R5.4m. (£3.39m.) from only R548,000 last year. Accordingly, Southvaal is boosting its 1977 single dividend to a much more than expected 21 cents (13p) compared with 6 cents a year ago.

Other dividends announced by the gold mines in the Anglo American Corporation group follow the general pattern of being satisfactory, but only just in line with expectations. Vaal Reefs is repeating its final of 60 cents to make a year's total of 115 cents against 110 cents for 1976 while Western Deep brings its year's total to 82.5 cents against 90 cents.

East Daggafontein's payment of 20 cents is the first since 1974. The company has ceased mining operations and the dividend now declared represents a distribution from funds arising from "clean-up" operations, sale of equipment and the share of revenue obtained by others from their recovery operations.

South African Land remains out of the dividend list and reports very low gold and uranium values from borehole SWP 1 to the south of the mine workings on farm Witpoortjie. Deflections are to be drilled and, in the meantime, work continues on hole SRK 1.

	Dec. 1977 cents	June 1977 cents	Dec. 1976 cents	June 1976 cents
E. Daggafont.	20	*nil	nil	*nil
S.A. Lands ...	nil	nil	nil	*2½
Vaal Reefs ..	60	*55	50	*50
W. Deep	47½	*35	45	*45

* Interim.

HAMPTON AREAS PROFITS FALL

A sharp reduction in half-yearly profits was announced late yesterday by Hampton Gold Mining Areas, the London-based mining and finance group. Net profits for the six months to September at £47,000 made a sharp contrast to the £182,000 earned in the same period of 1976.

Royalty income from Western Mining's nickel operations in Australia declined to £304,000 from £347,000, reflecting the recession in the international market, while exploration costs in Australia and the North Sea climbed to £272,000 from £206,000.

In Australia the major expense during the half year was $A73,389 (£45,460), which was added to operating costs, for the acquisition of 10 per cent. stake in the Torrington tungsten venture from Pacific Copper. Yesterday Hampton Areas were 1p higher at 83p

Anglo confirms early closure of Blue Spec

FOLLOWING the news reported here yesterday of the row between Australia's Metramar Minerals and the big Anglo American Corporation group over the failure of their joint venture Blue Spec antimony-gold mine in Western Australia, a spokesman for Anglo in Perth has confirmed that the mine is likely to be closed down early next year.

He pointed out that the developed ore (outlined for mining operations) is likely to run out some time next month. He added that the current assessment was that there was no economic reason for developing more ore and that there were no plans to extend the mine. It was currently running on a better financial basis, but was running out of ore, he said.

Australian Anglo American's loan of $A250,000 (£154,400), plus interest, to Metramar is only repayable from mine profits and thus, said the Anglo spokesman, will not be repayable if the mine closes without profit.

Metramar claims that results from the project and its cost to production (over $A7m.) have diverged significantly from estimates made by Australian Anglo.

As already reported, Metramar is considering taking legal action against Australian Anglo. The latter owns 78 per cent. of the venture with Metramar holding 13 per cent. and Australian Consolidated Minerals 9 per cent. Metramar shares were quoted at a nominal 2p yesterday.

Hemerdon: a new phase begins

THE POSSIBILITY of an eventual London listing for Hemerdon Mining and Smelting emerged yesterday as the company formally announced a joint venture with Amax Exploration of the U.K., a wholly owned subsidiary of Amax of the U.S. for the exploration of the Hemerdon tungsten-tin-china clay orebody near Plymouth, reports Paul Cheeseright.

Mr. Carl Schwarzwalder, the Hemerdon chairman, stated that an application had been made to the Securities and Exchange Commission in New York for registration to allow "over the counter" trading in the U.S. Once this had been settled a share flotation in London would be contemplated.

Hemerdon has a capital of 10m. shares. Of this total 5m. are issued but not settled on particular holders pending the settlement of legal complications. It would be these shares which would be available for U.S. trading.

The remaining 5m. shares could be issued at some later date to raise development funds if the Hemerdon orebody is ever brought to production.

These moves, allied to the agreement with Amax, reflect the determination of the Hemerdon management, newly installed a year ago, to give credibility to a mining project which for a decade has alternately amused and bemused the mining industry.

The joint venture, called Hemax, gives Amax an option to secure a half interest in the Hemerdon orebody in return for completing a work programme and paying Hemerdon Mining unspecified sums of money.

The involvement of Amax comes after the first phase of a new exploration programme of dry percussion drilling. A total of 3,600 feet of drilling in 45 holes was completed. The information gleaned verified information obtained by British Metals Corporation in 1936-37.

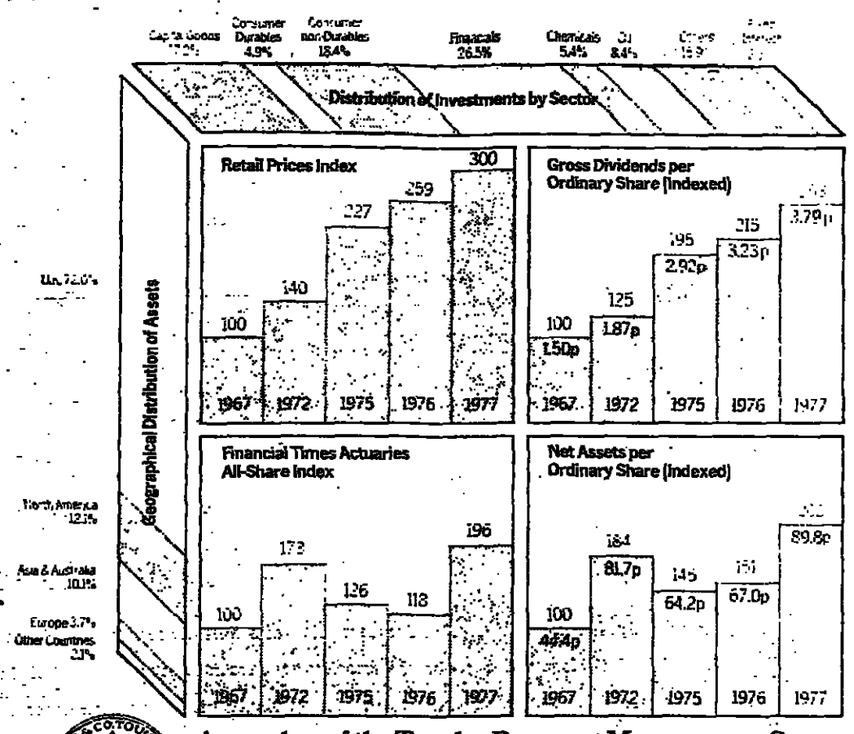
The drilling indicated the extension of the mineralised orebody to 100 feet from the 60 feet already established. British Metals' work led to the calculation that reserves amounted to 5.6m. short tons assaying 3.6 lbs of wolfram and 1.02 lbs of tin per short ton.

Amax is drilling 6,000 feet in the second phase of the exploration programme to depths of 400-500 feet. This will take about six months. The third phase, subject to successful results from the second, will involve a further 9,000 feet of drilling and some metallurgical work.

The cost of phases two and three will be about $1.25m. (£692,700). A fourth phase, should it be decided to press ahead, will include a feasibility study, and could cost $2m.-$3m.

Cedar Investment Trust, Limited

Total Assets at 30th September, 1977: £32.0 million.



A member of the Touche, Remnant Management Group.

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Copies of the Report and Accounts can be obtained from The Secretary, Cedar Investment Trust Limited, Winchester House, 77 London Wall, London EC2N 1BH.

GM

BEARER DEPOSITARY RECEIPTS

GENERAL MOTORS CORPORATION

Further to the DIVIDEND DECLARATION of 25th November, 1977, NOTICE is now given that the following distribution will become payable to AUTHORISED DEPOSITARIES on and after the 15th December, 1977, against presentation to the Depositary (as below) of Claim Forms listing Bearer Depositary Receipts.

GROSS DISTRIBUTION PER UNIT	16.25	cents
LESS 15% U.S. WITHHOLDING TAX ...	2.4375	cents
	13.8125	cents
CONVERTED at $1.8408 =	7.5035	pence per unit

Barclays Bank Limited
Securities Services Department,
54 Lombard Street, EC3P 3AH.

15th December, 1977

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SWISS BANK CORPORATION (OVERSEAS) Limited
DEUTSCHE BANK AKTIENGESELLSCHAFT
SKANDINAVISKA ENSKILDA BANKEN
UNION BANK OF SWITZERLAND (SECURITIES) Limited
WOOD GUNDY LIMITED

The Notes and the Debentures have been admitted to the Official List of The Stock Exchange in London. Particulars of the Issuer and the Notes and the Debentures are available in the Extel Statistical Services Limited and may be obtained during usual business hours on any weekday (Saturdays excepted) up to and including January 5th, 1978 from the brokers to the issue:

KITCAT & AITKEN
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London, EC2N 3AD

December 15, 1977.

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in announcing the opening
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Continental Illinois Investment Advisory Corporation

at

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1204 Geneva, Switzerland
(022) 21 44 22

Francis Schoenborn
General Manager

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15 December 1977

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DG BANK Deutsche Genossenschaftsbank (West Germany)
Genossenschaftliche Zentralbank AG (Austria)
OKOBANK Osuuspankkien Keskuspankki Oy (Finland)

7703019 2

APPOINTMENTS

Changes at Kleinwort Benson Lonsdale

Mr. R. A. Henderson has been appointed chairman of KLEINWORT BENSON LONSDALE from January 1. Mr. Henderson has been chairman of Kleinwort Benson Limited, the principal merchant banking subsidiary, since May 1973. Sir Cyril Kleinwort, the present chairman, and Sir Mark Turner, deputy chairman, although retiring from their respective positions, will remain on the Board.

★

Mr. Otto R. Norland has been appointed chairman of ALCOA OF GREAT BRITAIN from January 1. He will succeed Dr. Robert L. P. Berry, who remains on the Board as deputy chairman until his retirement later next year. Mr. Frank M. Townsend becomes managing director on January 1 and Mr. Paul E. Griswold is to replace Mr. James L. McLay as managing director of Alcoa Manufacturing (G.B.). Following the recent appointment of Mr. John D. Y. Hickman to financial manager for Alcoa in Europe, Mr. William J. Wyatt has been made financial director for the Alcoa Britain group. Mr. Wyatt comes to Britain from a post as controller at an Alcoa production facility in the U.S. Mr. Norland, who has been a director of Alcoa Britain since 1968, is an executive director of Hambros Bank.

★

Professor R. J. Ball will join the Board of LEGAL AND GENERAL ASSURANCE SOCIETY on January 1. Professor Ball is principal of the London Business School and a director of Barclays Bank Trust and Tube Investments. Mr. T. Lloyd Robinson who has been a member of the Board of Legal and General since 1970, becomes vice-chairman at the beginning of next year.

★

Mr. B. C. Thompson, at present works manager, is to become production director of E. ILLINGWORTH AND COMPANY (BRADFORD) on January 1. The parent concern is Carpets International.

★

Mr. N. H. Keegan is to become general manager of the NATIONAL FARMERS UNION MUTUAL INSURANCE SOCIETY on January 1 and Mr. C. A. Thomas is to be general manager of the AVON INSURANCE COMPANY. Mr. R. A. Nixon will continue as chief executive, becoming chief general manager of both companies from the beginning of next year.

Mr. Peter Vinson has been appointed managing director, ROLLS-ROYCE MOTORS diesel division and chairman, Rolls-Royce Motors military engine division. Mr. Frank Cook becomes director and general works manager, and Mr. A. B. Bennett, production director of the diesel division. Mr. Robert Young has been made managing director and Mr. Stanley Cox, production director, of the military engine division. The changes follow the retirement of Mr. Ronald Whiteside.

★

Mr. John Eldridge is to retire from the Board of MATTHEWS WRIGHTSON HOLDINGS on December 31. He will be succeeded by Mr. Gordon Henry, who is chairman of Stewart Wrightson Group. On January 1 Mr. David Rowland will be appointed deputy chairman of Stewart Wrightson Group and continue as managing director. He will also become chairman of Matthews Wrightson Pulbrook. Mr. Gordon Parham will be chairman of Galbraith Wrightson. Mr. Jeremy Wagener is to be chairman of Matthews Wrightson Land in addition to his present position as group financial director. Mr. Andrew Smithers joins the Board of Matthews Wrightson Holdings.

★

Mr. Leslie Wharton has been appointed to the main Board of PRESTCOLD HOLDINGS, a member of the Leyland Special Products group. He will take over responsibility for product manufacture from Mr. Arthur Reeves, who relinquishes his position on December 31 but will remain on the Board for special assignments.

★

Mr. C. S. Shaw has been appointed to the Board of TAYLOR WOODROW CONSTRUCTION (NORTHERN) from January 1.

★

Mr. F. E. Mills, a director of TURNER AND NEWALL, who is due to retire in 1979, has decided, on medical advice, to relinquish his positions as chief executive of the company's Plastics and Industrial Materials Division and as chairman of TBA Industrial Products, and of British Industrial Plastics, at the end of the year. He will remain an executive director of Turner and Newall until his retirement. Mr. Mills will be succeeded in these positions, from January 1, by Mr. D. W. Hills, also a director of Turner and Newall and at present chief executive of its Construction Materials Division. Mr. Hills will be replaced as chief executive of T & N's Construction Materials Division and as chairman of TAC Construction Materials and Newalls Insulation Company by Mr. R. D. N. Somerville, at present deputy chairman and joint managing director of T & N's subsidiary, Engineering Components, from April 1.

★

From March 1, Mr. Simon Cullum will be appointed managing director of CHARLES BARKER CITY, and Mr. Richard Pollen will become deputy managing director. At the same date, Mr. Pollen will be managing director of a new unit, Charles Parker Corporate Design and Communications.

★

Mr. D. B. K. Harrison has been appointed chairman of HARRISON BROS. UNDERWRITING AGENCIES, the new Lloyd's members' agent. Also appointed to the Board are Mr. T. P. Houghton, Mr. T. G. R. Harrison and Mr. K. J. Leonard.

★

Mr. Edwin J. Thompson, chairman and managing director of The Wolverhampton and Dudley Breweries, has been elected chairman of the BREWERS' SOCIETY. He succeeds Mr. Robert A. McNeile, who has been made a vice-president. Mr. Derrick Holden-Brown has been elected vice-chairman.

★

The Earl of Eglinton and Winton has been appointed a director of the MERCANTILE AND GENERAL REINSURANCE COMPANY.

★

The MINISTRY OF OVERSEAS DEVELOPMENT has appointed Mr. William A. Dodd to be its chief education adviser on the retirement on December 31 of Mr. J. E. C. Thornton.

★

Mr. A. J. S. Duckworth and Mr. David Walters have been appointed to the Board of BROADSTONE INVESTMENT TRUST.

★

Mr. R. Thompson (Morceau Fire Protection), has been elected chairman of the ASSOCIATION OF STRUCTURAL FIRE PROTECTION CONTRACTORS AND MANUFACTURERS.

★

Mr. K. G. Manley has been appointed chief executive of the food manufacturing divi[sion of] THOMAS BORTHWICK [AND] SONS. Following the [...] of Matthews Holdings, the [...] sidiary companies of [...] bridge and Freemans have [...] merged with Freshbake Foods [...] the new food manufacturing division of Thomas Borthwick.

★

Mr. James Lawrie, formerly member of the Civil Aviation Authority and before that chairman of the Air Transport Licensing Board, is to take a part-time appointment as director general of the Airline [...] Committee—to be known as [...] AIR TRANSPORT USERS COMMITTEE. In this capacity [...] Lawrie will assist the Committee in its new role as a consultative body appointed by the Civil Aviation Authority but [...] ent of it in its work and [...]

★

Dr. G. W. Richards has been appointed chairman of [...] (U.K.). He succeeds Mr. [...] Platt, who will now be based at Billiton International Metals in The Hague, Netherlands, [...] becomes head of the [...] Division.

★

Mr. J. Michael Hoare, managing director of Coral Leisure Group, is to become chairman of Centre Hotels (CRANSTON), a subsidiary, in succession to Mr. [...] J. Edwards, who for personal reasons will be resigning from the Board of Centre Hotels at the end of January but who will [...] as a consultant to the company.

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You will probably be a graduate, an MBA or a qualified accountant and will have had considerable all-round business experience preferably in an engineering manufacturing environment. Experience of operating the control systems within a U.S. company is essential. Male or female, you will probably be 35–50.

Contact: Alan Endicott

Plumbley/Endicott & Associates Limited,
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c. £12,500 + profit share

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Reporting to the Managing Director, the Divisional Director, Finance, will be responsible for all financial matters through a staff of about 80 on a number of sites in the U.K. Success in this appointment will lead to a seat on the main Board.

Candidates, preferably aged 35-45, must be qualified accountants and have had management responsibility in a medium to large manufacturing unit. Experience of computer based systems and *public company funding is also required.*

Initial salary will be about £12,500 together with a worthwhile profit share. Other benefits reflect the level of this appointment in a major quoted company.

Candidates of either sex should apply giving personal details and an outline career history, quoting reference FT/377/F, to:–

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11 Doughty Street,
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The Bank offers a full range of services to it's customers throughout the world and the responsibilities of these positions will include credit control and analysis and the development and servicing of new Corporate relationships.

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Career details should be sent to:- Patrick J. O'Hara, Assistant Vice President, Security Pacific National Bank, 2 Arundel Street, London, WC2R 3DF.

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Rewards will be fully competitive and the successful candidates can expect rapid progress to partnership status.

Applications will be forwarded direct to our client. Please indicate in a covering letter any firms to whom you do not wish to apply.

Please send a comprehensive career résumé, including salary history and quoting ref. S98, to:

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Touche Ross & Co.,
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Tel: 01-588 6644.

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Major U.K. industrial group with impressive growth record in U.K. and overseas markets. The emphasis of the appointment will be on forward and strategic financial planning. Candidates, aged 32/35, will be qualified (ACA) with broad-based post-qualification experience within a medium to large industrial group. Location Southern England. (Ref. FA/624).

Young Divisional Accountant

The position will appeal to an ACA aged 25/27 seeking a first industrial appointment. The group, based in Kent, is international and the career opportunity will be to develop within the U.K. subsidiary or the European operation. *Removal assistance: salary negotiable £6,000 (Ref. YDA/962).*

Short list stage on each appointment will be reached by 13th January, 1978. Telephone or write in strict confidence, to: G. J. Cassell, Managing Director, New Appointments Group, Personnel & Selection Consultants, 5 Park Road, Sittingbourne, ME10 1DR. Tel. 0795 75437.

New Appointments Group
Personnel Consultants
nag

INVESTMENT / BOND TRADING OFFICER

A major financial institution in a Gulf state seeks an individual experienced in trading fixed interest securities.

The individual, should be, ideally, between 26-30 years of age, must currently be employed in the fixed interest market and be thoroughly familiar with all aspects of trading operations and recording the sales and purchases of securities.

In addition he must be willing and able to show that he is capable of working with local staff and of training them up to an acceptable level of professional competence.

The institution, which is one of the oldest in the area and which is highly respected internationally, has successfully developed its initial penetration of the primary Eurobond market, and in order to support this activity now wishes to develop a bond trading capability as an important element of its anticipated international expansion.

Initially, a contract of two years is offered which would include a generous salary, free accommodation, car and other associated benefits in an income-tax free country.

Candidates should be available for preliminary interviews in London in mid-January 1978 and to visit the area later before final selection.

Please reply giving fullest possible details of current job together with previous experience and any other information considered relevant to the application to:

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10 Cannon Street, EC4P 4BY

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A vacancy exists for an experienced documentary credits official to manage the documentary credits department of an international bank. The position is based at the bank's Head Office in Riyad, Saudi Arabia. Experience in opening/paying and back-to-back credits is essential, knowledge of French an added advantage. Substantial tax-free salary will be paid and usual fringe benefits. Contact: Norma Given (Director)

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COMPANY NOTICES

STANLEY ELECTRIC CO., [...]
NOTICE TO HOLDERS OF EDR DEPOSITARY RECEIPTS EVIDENCING SHARES OF C[...] STOCK

NOTICE IS HEREBY GIV[EN] the Interim Dividend of Yen [...] share paid to shareholders as [...] September 30, 1977 has be[en con]verted to U.S. Dollars and am[ounts to] U.S. $13.34 gross per EDR.

EDR holders should accordi[ng] present coupon No. 1 in order [to] the above dividend as either [...] of the Depositary:
The Chase Manhattan Bank
Woolgate House,
Coleman Street,
London EC2P 2HD.
or at the office of the Dep[ositary's] Agent:
Chase Manhattan Bank Lux[embourg] S.A.
47 Boulevard Royal
Luxembourg.

In respect of such div[idend] Japanese withholding tax of [...] of 20% will be deducted [from the] gross amount of the dividend [unless a] form of affidavit satisfactory [to the] Depositary, is received evidenc[ing] residence in a country with wh[ich Japan] has concluded a tax treaty [provid]ing for a lower rate of withholding tax. In such [case a] lower rate of tax would then be [...]

In respect of presentations [...] office of the Depositary [...] United Kingdom Tax at the [...] rate will be deducted unless [...] in the usual form evidenc[ing non-] residence in the United King[dom has been] lodged with the Depositary.

THE CHASE MANHATTAN BANK AS DEPOSITARY

London,
December, 1977.

NICHIL CO., LTD.
NOTICE TO HOLDERS OF EDR DEPOSITARY RECEIPTS

Copies of the Semi-Annual [...] of Nichil Co., Ltd. covering [...] month period ended August [...] are now available to EDR [...] the office of the Depositary, [...] House, Coleman Street, Lond[on EC2P] 2HD and of the Depositary's [...] Chase Manhattan Luxembourg [...] Boulevard Royal, Luxembourg.

THE CHASE MANHATTAN BANK LONDON AS DEPOSITARY

London,
December 1977.

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5% FIRST MORTGAGE DEBENTURES [...]

Royal Exchange Assurance [...] for the above Debentures, [...] £2,625 (less Income Tax at [...] £1 per £100. Debentures [...] on and after 31st December, [...] Williams & Glyn's Bank Limited, [...] Department, 5/10, Cannon [...] London EC3R 7DH. Coupons [...] should be deposited with [...] Glyn's Bank Limited, free clear [...] to date of payment.

BOOKS

West way

BY C. P. SNOW

Rebecca West: A Celebration. Selected from her writings. Macmillan. £8.50. 780 pages

It was a very good idea to make this selection from Rebecca West's work. During a very long and abnormally vigorous lifetime — she is now in her middle eighties, though one reads her or listens to her that seems a meaningless chronological fact—she has been one of the most formidable figures on the Anglo-American literary scene. This is non-controversial: but the controversy enters when anyone tries to define her importance, even to begin to know how to deal with her.

She slips through the mesh of any of the conventional literary stereotypes of our time. She has been close to contemporary aesthetic movements, but has never really thought much of them nor has been part of them. In literature of any period participants sing in unison, much more than we think or than they think they do. It is rare to hear a completely individual voice. Rebecca West has uttered with her own voice what Russians would call a own word, and, in a somewhat baffled fashion, others have had to listen.

Obviously, she is a writer. No one has been able to deny that. But what kind of writer? She won't been comfortable in the standard literary forms. Her generalised writing talent, and her personality, have made her novels and stories interesting: as far as one can see in this collection, they are nothing like the most interesting part of her work, and certainly not the most original. Maugham praised her story "The Salt of the Earth" in the highest terms: It is brilliant, sardonic, and beautifully executed: but it is a story which, with minor changes in nature, Maugham could have written himself, and been very proud of.

It seems likely that her temperament has been too positive, as well enough adapted to passive receptivity, to make her talent with novel-writing. The great novelist with whom she had an enduring but ambivalent relation is Leo Tolstoy, who had a temperament as positive as her own. He managed to subdue one aspect of his temperament at least once, perhaps twice, before he decided that art, not even his own art, was not worth pursuing as a creditable activity. Rebecca West, less certain of a prophetic message, may have been almost as dissatisfied with conventional art. She dug out a different path.

She became the most spectacular High Journalist of the age—or perhaps it would be more accurate to say that she turned High Journalism into her own art form. There her exceptionally strong literary personality could impose its own pattern. The necessity of reporting from a background of facts compensated for her lack of passive receptivity. Looking, say, at the Nuremburg trials, she was obliged to receive. Not that she received as anyone else might have done. Her vivid eyes saw a great deal but saw them differently from other people's. Her language, which had always had more power and inventiveness than grace, became a marvellous hammer-like tool for a new purpose.

Pieces like "Mr. Setty and Mr. Hume," to choose one which is included in this collection, are among the classics of English reporting. They are both more and less than the best ordinary

Rebecca West: a retrospective anthology

journalism. There is a meaning underneath them, about which she is tentative. Unlike Tolstoy, Rebecca West the prophet is sometimes uncertain of the message. There is a meaning which she passionately wishes to be understood, but which she is too scrupulous to simplify before she has satisfied herself.

About more superficial things, she is not so scrupulous, and sometimes lets her positiveness sweep her away and sweep the reader with her. When she has allowed an opinion about a person or a place to enter her mind, then she is not suggestible to alternative views. She steadily reinforces her opinion with consummate literary virtuosity and her own remarkable power. It was easy for her to make up her mind about Mr. Hume. She stated it with characteristic lack of qualification. With equal characteristic honesty, she has let that statement stand in this edition, though we now know much more about him, and we know that he wasn't as she thought.

That is part of the positiveness which has given us her fighting power and which is nothing like so essential as the message underneath. If she is to be appreciated at her deepest, this we have to search for. We get a glimpse when, not very often, and then as it were reluctantly, she lets us have an intimation of her disquiet. That disquiet is profound, though often it has to be inferred.

You can find it in the short biography of St. Augustine, one of the finest things she has ever done. It is made explicit in a passage in *Black Lamb and Grey Falcon*, where she wrote a travelogue about Yugoslavia in the late 1930s. In that book she tells us something of her inner self. Up to that time she had spent most of her life, she says, among gifted people seeped in the liberal illusions. She does not want to throw away, she could not or should not, the best part of their hopes. Without those, the human future would be just blank. But the illusions, the denial of original sin, the frivolous dismissal of the plinths of civilisation, these had to be cut away before she could think about humanity at all.

Such has been the distress, often understated, behind much of her writing. She hasn't been searching for personal salvation, but, in spite of all her vitality, her vision of life has become permanently dark.

She is, of course, right. It is a conflict which a good many reflective people haven't been able to resolve. There may be no solution, except soldiering on. In her position, there are moral and intellectual traps which she hasn't always stepped over. Liberal fatuities have made fools think that criminals should be more sanctified than judges. Reacting with a sense of doom, Rebecca West has sometimes come to think that all sources of authority are more wonderful than they are. Before the moral pilgrimage of Americans of good will such as the Trillings, she saw the lie in life with exceptional vividness. Sometimes this has made her lose her sense of fact. It is also the source of her most important discoveries. If we do not understand her when she is speaking in this tone, we lose her essence altogether.

One of the photographs in "The Family of Children" which is reviewed below

In camera close-up

BY GLYN GENIN

By the middle of Victoria's reign, photography was advanced enough to provide a valuable record of Britain and her far-flung dominions at the height of the Empire's political and economic power. In 250 photographs, **Times Gone By** (Marshall Cavendish, £4.95) traces not only the decline in Britain's influence in the century from 1856, but also, hand in hand with technological advances, the lessening of the more blatant inequalities at home. The photographs, many of them famous, and all from the Radio Times Hulton Picture Library, starkly contrast the paradoxes of a particular period, as well as illustrating the great changes that have taken place in our way of life.

For 300 years London's Covent Garden market was an essential and colourful part of the capital, until, in 1974, it moved South of the Thames to a new site at Nine Elms. Photographer Clive Boursnell first shot pictures in the original market in 1971, when it was still a thriving commercial centre, and his book **Covent Garden Market** (Studio Vista, £7.50) captures in candid photographs and anecdotal text the vitality and atmosphere of the old Covent Garden.

Hugo van Lawick was first known as an award winning wildlife film cameraman. He was introduced to East Africa by Armand and Michaela Denis and worked on their On Safari TV series. In **Savage Paradise** (Collins, £15.00) he displays his not inconsiderable skills as a still photographer of animals in their natural habitat. In this beautifully produced volume, a real coffee table classic, this, he catalogues the predators of the Serengeti in Tanzania. Lions, leopards, cheetahs, hyenas and wild dogs — this remarkable record blends sympathy for his subject with technical skill, and patience.

Tanzania's northern neighbour is the subject of **Faces of Kenya** (Hamish Hamilton, £10.00) by David Keith Jones. A handsome book, the text and pictures reflect the author's wide experience of Kenya's people, scenery and wildlife.

The Family of Children (Ridge Press, £5.95) is a searching photographic essay touching on every aspect of childhood and growing up. Jerry Mason, the book's editor, selected 377 photographs from more than 300,000 to produce a volume by 218 photographers from 70 countries. He's done his job well — the work has a universal and enduring appeal.

Four annuals for 1978. **Photography Year** (Time-Life Books £6.50). **Photography Year Book** (Fountain Press, £8.00). **British Journal of Photography Annual** (Henry Greenwood and Company, £6.00) and **Creative Camera International Year Book** (Coo Press, £9.95). Each annual is beautifully produced — and each is the sort of book you don't really need, but over the years build into an invaluable set.

Feline fashions

BY CHRISTINE BURTON

Nine Lives: an anthology of poetry and prose concerning cats compiled by Kenneth Lillington. Andre Deutsch, £3.50. 154 pages

Knowing Cats: an anthology for unsentimental cat lovers edited by Alan Harvey. David and Charles. £5.95. 223 pages

The Cat that came in from the Cold by Philip Brown, Andre Deutsch, £3.25, 112 pages

Catland introduced by Rodney Dale. Duckworth. £4.95. illustrated

Cat tails by John Meredith Miles. Dobson Books. 95p. illustrated

"A cat is a cat is not merely a cat. It is an object of worship or an agent of Satan or a symbol of sensuality or a surrogate for Woman, and you cannot divorce it from its mystery. It is the eternal contemporary, the one animal, unlike the servile dog or the exploited horse, who can sponge on the human race and keep its freedom. It has us where it wants us." So writes Kenneth Lillington in his introduction to *Nine Lives*.

If you believe in some, or even all, of the above, then you are a likely reader for these books. For myself, I have never been convinced of the mystical qualities of cats, but I have one and, although not a feline fan to the exclusion of all other animals, I have enjoyed reading the books and recognising my cat's characteristics in other people's anecdotes.

Knowing Cats is a meatier book. Twenty-seven chapters by authors ranging from Doris Lessing (in both Africa and London) to Mark Twain to Colette, tell tales which in many cases give away as much about their authors as their cats.

The stories switch from America to Britain and back again (as does the spelling) but Damon Runyon's telling of the tale of Lilian, the 6th Avenue cat hooked on Scotch, made me smile, while Tay Hohoff's Impo and Charles Dudley Warner's Calvin made me cry.

Both *Knowing Cats* and *Nine Lives* begin with the poem "Pangur Ban," but whereas *Knowing Cats* is hefty chunks of prose, most of *Nine Lives* is poetry. Authors include Ted Hughes, T. S. Eliot, Stevie Smith, P. G. Wodehouse, W. B. Yeats, J. R. R. Tolkien, Edward Lear (of course) and my all-time favourite Louis Macneice. Here is the last verse of his "The death of a cat":

So this is an epitaph, not
for calamitous
Loss but for loss: this was
a person
In a small way who had
touched our lives
With a whisk of delight,
like a snatch of tune
From which one whole day's
mood derives.
For you and me, darling,
this is an epitaph.

The work of more than 70 writers has been divided into six sections (For Better, For Worse, Reprobates and Demons, Mystics, The nature of the creature, and Strays) by Kenneth Lillington who gets the seal of approval by including in his introduction to the whole anthology, mention of the cat my generation grew up with — Korky, hero of The Dandy.

The last chapter of *Nine Lives* is taken from "How to live with a calculating cat" by Eric Gurney and it tells you how to tell the difference between anti-cat people and pro-cat people.

If you have any doubts about your pro-cattiness don't attempt to read *The Cat that came in from the Cold*.

This tells an interesting enough story — the author had dreamed of training a cat in much the same way as one trains a dog — and the book tells how he came upon a stray while staying at a friend's house in the Cumbrian fells. He trained the cat — Uncle Timothy — over a period of two years whenever he visited the village, which he calls Crossgill. However, though he chose a fictitious name for the place, his friend, whom he calls the cat's landlady, remains nameless throughout even though it is she who provides a home for the cat.

Philip Brown thought he would like a cat which would go to its basket when ordered, and which he could take for walks. Uncle Timothy trotted off obediently at the word "Basket" but it was he who finished up taking his master for walks and showing him his skills at catching rabbits—which Mr. Brown calls "bunnies."

Indeed the whole book is written in rather a sugary style. This is a pity because Philip Brown shows in his chapter on Uncle Whiskers (his previous cat which overcame a crippling accident to lead a courageous life without one and a-half front legs) in *Knowing Cats*, that when he writes less sentimentally, he reads better too.

In the early 1900s, Louis Wain was a household word and his pictures were recognised throughout the land. Ronald Dale, whose *Catland* consists of 14 colour plates accompanied by a short biography of Louis Wain, is also the author of a standard full-length work, *Louis Wain: the man who drew cats*, and if you are a fan of Louis Wain you would do better not to dabble in such an unsatisfactorily shortened version as *Catland*.

However, if his work leaves you cold, as it does me, you are far more likely to appreciate *Cat tails*, by John Meredith Miles, a little book of cartoon drawings At the very least the characters are far more believable and a great deal more enjoyable.

The trouble with Ari

BY REX WINSBURY

Aristotle Onassis by Nicholas Fraser, Philip Jacobson, Mark Ottaway and Lewis Chester. Weidenfeld and Nicolson £6.50. 372 pages.

If a camel is a horse designed by a committee, what is a book written by a committee? On the evidence of this Sunday Times team effort, it is a work of information rather than insight (if you will excuse the pun), of panache rather than passion. The vivid story of the man's life comes over, with chapter and verse, but the gospel is missing. Onassis's life was extraordinary enough—money *and* women, it's just not fair—for the information to be rivetting. But the presentation of that information is too journalistic in style; you can only read it in short, feature article chunks. Above all, what is missing is that sense of communion with the subject that the best biographer brings to the reader—yet for all that, it is a good book.

Not only four authors, but also a small army of newspaper correspondents round the world have combed the archives of institutions and the memories of people to establish what the man did. What he did was to make a fabulous fortune, and live with the most desirable (or at any rate publicity-valued) dames. With the dames, it was charm: with the money, it was commercial daring, finely calculated. Withal, it is hard to be wild about Ari.

The chapter on his venture into whaling is stomach-turning to read. One does not have to be a card-carrying member of the Nature Conservancy to deplore the record of illegal butchery of the whale population that lasted until the Norwegians caught up with him, and forced him out of the business. Nor can one be exactly benevolent about the cumulative evidence that the Onassis fortune was largely made at the expense of the American and Greek taxpayers, via legal but dubious manipulation of tax regulations on shipping.

The tragic life and death of his son, Alexander and the tragic death of his first wife Tina, confirm the picture of a flawed financial genius. Yet it is here that the book, at the very highest test, fails. What can one say of the magnetic magnate? He made money, but spent nothing on charity or good works. He made enemies of friends, friends of lovers, friends of enemies, enemies of relations, relations of enemies. But the authors do not bring us—nor perhaps could they, being plural—to the roots of the man. Yet the book is a rich feedstock for future judgments about the tanker billionaire.

Onassis is quoted as saying "Be rich or be an enemy of the rich. . . . But never envy the rich." Ipse dixit.

Who's Afraid of Elizabeth Taylor? by Brenda Maddox. Granada Publishing. £4.95. 249 pages

This is not an authorised biography. Elizabeth Taylor refused repeatedly, categorically, to be interviewed by the author. The result, says Ms. Maddox, is "not intended as a biography but rather as the story of how a private life became a public myth, and also of how women and sex have changed from the forties to the seventies."

The public myth throughout is referred to as "Taylor" whose very brief private life happened in nanny-reared childhood in London. Her stunning beauty and quasi-English accent qualified her for a starring part in *National Velvet* (now regarded by Hollywood historians, we are informed, as the MGM *Equus* of the day) and Taylor never looked back. She went on—and on, and on.

Men: marriage and a bad back punctuated a glittering movie career but she was in the public eye for more than 30 years. Richard Burton, million dollar rocks and non-private frequent marital rows kept her in the world's headlines and as her beauty eroded her worked-at blowsiness reached tops.

Taylor is a splendid target for female bitching and Ms. Maddox's arsenal is well stocked; nevertheless, the unsolicited biographer often capitulates into panting passages of awed admiration. There are times when I believed the writer believed that Taylor was some kind of New World royalty—the Hollywood queen to whom Lucille Ball curtseyed and referred to as "Your Highness" and "Your Majesty" on a TV programme.

King Burton and Queen Taylor between them made $88m. When they divorced in 1974 they divided the property equally with Taylor keeping her jewellery and their adopted daughter. Exiled, apart, with continents and 12 marriage certificates between them we mourn the end of their fairy story

DEBORAH PICKERING

Handbook to Anthony Powell's "Music of Time" by Hilary Spurling. Heinemann. £7.50. 330 pages.

"A *Dance to the Music of Time* is told, so to speak, over the dinner-table, rather than as recorded history. The narrator, Nicholas Jenkins, is merely a vehicle for expressing how people and happenings struck him during a period of some 60 years; matters on which the opinion of his listeners may differ," writes Anthony Powell in the introduction. Mrs. Spurling's handbook provides an indispensable "master-key" to the movements of Time for the reader, resolving doubts and confusions perhaps inevitable in a work of 1m. words with 400 or 500 characters.

The bulk of the book is a "Who's Who" of the characters with page references—answering such nagging questions as what happened to the second of Dicky Umfraville's five wives, Joy Grant (she ran off with a jockey and then kept a pub in the Thames Valley). Mrs Spurling's guide is very much an official one with no speculation about the connections between the worlds of the narrator and author.

Perhaps the most illuminating sections are the indices on books read or written, paintings looked at and places visited. A significant part of Anthony Powell's achievement rests on his ability to create a mood or highlight a character from a painting or book. How many people's eyes have been opened to Poussin or Tiepolo by Mr. Powell and how many readers feel sure they have seen an Isbister or read a novel called *The Bitchpack Meets on Wednesdays*? Mrs. Spurling brings out the full richness of this feature of the sequence, while, as she remarks in a preliminary note on the structure of the novel, an appropriate view of the whole work is X. Trapnel's favourite saying: "Reading novels needs almost as much talent as writing them."

PETER RIDDELL

Master's voice

BY SANDY WILSON

The Songs of Michael Flanders and Donald Swann. Elm Tree Books, £6.50. 224 pages

The Noel Coward Song Book. Michael Joseph, £12.00. 314 pages

I first met Donald Swann at Oxford shortly after the War, when we were both writing material for undergraduate revues. A year or so later, thanks to Laurier Lister's *Oranges and Lemons*, we both achieved professional status. In the early 'fifties I wrote two revues for the tiny Watergate Theatre, and was fortunate enough to have Donald as musical director for both of them.

He performed this function superbly, and, as a bonus, every night, between musical numbers, he would sit at the piano roaring with laughter at the sketches. The effect on the audience was invaluable. "If he can still laugh after seeing it so often" they figured, "then it *must* be funny," and duly followed his example.

After that our paths divided. Donald went on to write all sorts of music, from pieces for the Third Programme to musicals like *Wild Thyme*. One evening I was asked to a party at a studio in Scarsdale Villas, the home of Michael Flanders. Donald was also there, and in the course of the evening the two of them moved to the piano and gave us a cabaret. I wish I could say that I immediately rushed over to them and cried, "Boys! You're Stars!" I thoroughly enjoyed the performance, but I was a little incredulous when I heard they were actually going to do it on stage at the New Lindsey.

No more incredulous, so it now appears, than they were themselves when they were offered the Fortune Theatre for a West End run. The rest is, as they say, Show Biz History, and now here it all is between covers, with a delightful preface by Donald, written with that slightly zany enthusiasm that has informed all his work.

I have already learned to play, very badly, my favourite Flanders/Swann number, "The Slow Train," and no doubt Christmas parlours throughout the land will resound with uncles and aunts thumping their way through "Have Some Madeira, M'dear?" "The Gasman Cometh," and of course "Mud, Mud, Glorious Mud." How nice of Donald to let us all have a go!

I suppose the same uncles and aunts have been having a go at Noel Coward's songs for years, and it is a bit dispiriting to find that his *Song Book* is just the same old publication (a poor imitation of the Rodgers and Hart equivalent) which Michael Joseph issued in 1953, but now about twice the price and not so pretty to look at, having lost the original yellow and grey cover designed by Gladys Calthrop, in favour of a dreary black one.

Moreover the publishers have not even bothered to update it. I would willingly have forfeited some of *Pacific 1860* and *Ace of Clubs* for the sake of including songs from *Sail Away*—particularly "Why Do The Wrong People Travel?" The Master died over four years ago. It is high time someone anthologised his music in a more worthy manner.

Marlowe's man

BY WILLIAM WEAVER

The World of Raymond Chandler edited by Miriam Gross. Weidenfeld and Nicolson, £5.95. 190 pages

The Notebooks of Raymond Chandler and English Summer by Raymond Chandler, edited by Frank MacShane. Weidenfeld and Nicolson, £4.50. 113 pages

After its symposium-volume devoted to Agatha Christie, Weidenfeld has assembled a book of pieces on Raymond Chandler, bringing together such disparate figures as Billy Wilder, Frank Norman, John Houseman, and Natasha Spender. Critical essays alternate with reminiscences, composing a fascinating, if not always flattering mosaic-portrait. Chandler was certainly a man of contradictions: behind the tough, wise-cracking novelist there was a shy, tormented artist whose moral code, formed in an English school, was based on Playing the Game and showing respect to ladies.

Would it have been nice to know Mr. Chandler? Mrs. Spender and other friends, like Dilys Powell and Michael Gilbert, insist that, on the whole, it was, though the tales of his drunken behaviour, his bouts of suicidal self-pity, his pathological touchiness suggest that his company must have been a very mixed blessing. Frank Norman's account of Chandler's kindness to him, at the outset of his writing career, is, however, totally affecting. And even Billy Wilder, whom Chandler disliked, has words of compassion and respect for his collaborator on the highly successful script of *Double Indemnity*, the first and best film that Chandler wrote.

Not all the critical pieces are unalloyed praise. In "The Illusion of the Real," Jacques Barzun—a thriller expert, as well as a distinguished man of letters — refutes Chandler's famous dictum (in "The Simple Art of Murder") to the effect that "fiction in any form has always tended to be realistic," and shows that, in his way, Philip Marlowe is just as unreal as Poirot or Miss Marple. In the concluding chapter, T. J. Binyon traces Chandler's influence in later thriller-writers and finds it dwindling.

Interest in Chandler himself is not dwindling at all, as we could see from the success last year of Frank MacShane's authoritative and compelling biography. Now MacShane has edited a slim volume including the "Gothic Romance" *English Summer* (a story Chandler wrote in the late 1930s and worked on again some 20 years later) and pages from the surviving notebooks of the author. *English Summer* is no more than a curiosity; it reads like a self-parody (and Edward Gorey's illustrations underline the comic as well as the Gothic aspect of the little tale); but the notebook entries are of great interest. Somewhat like Scott Fitzgerald (cf. *The Crack-up*), Chandler was a great list-maker. There are lists of titles, pages of slang from various milieux, a list of works to be written. He also copied out passages from books he was reading or pasted in cuttings from the newspapers. With this selection, MacShane gives us a long glimpse into Chandler's mind, the mind that produced those haunting works, *The Big Sleep*, *Farewell, My Lovely*, *The Lady in the Lake*: the collective epic of Bay City.

Secret war

BY ALLAN TODD

Beyond Top Secret U by Ewen Montagu. Peter Davies. £3.90. 192 pages

In the near future, the revelation of what our civil and military leaders knew of the enemy's intentions in World War II due to the coming publication of the bulk of his most secret messages which were passed on to them, is likely to lead to a considerable reappraisal of their abilities. The effect of these messages is to some extent the subject of this book, so just what they were will be of significance in judging its importance. However, most of the book is more concerned with our efforts to deceive the enemy via his agents in the U.K., all of whom were taken under control and turned into double agents.

The enemy's archives were opened to the world in the period immediately succeeding the end of the war yet only too often do we find phrases to the effect that "we" were unable to discover the effect of such and such a deception on the enemy's plans. This suggests the effects were not all that great. But as already revealed in the author's *The Man Who Never Was* and elsewhere regarding the invasion of Europe and the pattern of the flying bomb bombardment, that they achieved something can hardly be doubted. If the Germans were as stupid as the author implies, it is hard to account for their near miss in winning the war. A book by someone in Germany who was on the receiving end of these matters would be welcome.

In short—movie idol and symbol

U.K. ECONOMIC INDICATORS

ECONOMIC ACTIVITY—Indices of industrial production; manufacturing output, engineering orders, retail sales volume (1970=100); retail sales value (1971=100); registered unemployment (excluding school leavers) and unfilled vacancies (000s). All seasonally adjusted.

	Indl. prod.	Mfg. output	Eng. order	Retail vol.	Retail value	Unemployed	Vacs.
1976							
4th qtr.	103.2	104.8	106	108.5	211.9	na	na
1977							
1st qtr.	103.5	105.6	111	105.0	217.1	1,330	na
2nd qtr.	102.2	103.1	104	103.9	221.5	1,330	163
3rd qtr.	102.4	103.1		106.8	235.7	1,418	151
June	100.3	100.3	102	103.8	223.2	1,353	158
July	102.4	102.6	105	107.0	232.8	1,394	153
Aug.	102.7	103.2	119	107.2	237.6	1,414	154
Sept.	102.0	102.6		106.2	236.6	1,446	145
Oct.				105.4	234.4	1,433	153
Nov.				105.0		1,433	156

OUTPUT—by market sector: consumer goods, investment goods, intermediate goods (materials and fuels); engineering output, metal manufacture, textiles, leather and clothing (1970=100); housing starts (000s, monthly average).

	Consumer goods	Invst. goods	Intmd. goods	Eng. output	Metal mnfg.	Textile etc.	Housg. starts*
1976							
4th qtr.	115.3	99.0	104.4	100.4	85.2	103.6	20.8
1977							
1st qtr.	115.9	100.9	106.2	101.5	84.2	105.1	19.9
2nd qtr.	112.5	99.7	104.9	100.1	80.8	99.2	22.4
3rd qtr.	114.8	99.4	104.8	100.2	83.7	102.8	24.4
June	110	98	103	98	75	96	22.3
July	115	100	105	101	87	104	24.4
Aug.	114	100	105	100	79	101	20.4
Sept.	114	99	105	100	85	103	28.1
Oct.	114	99	101	100	77	102	24.6

EXTERNAL TRADE—Indices of export and import volume (1970=100); visible balance; current balance; oil balance; terms of trade (1970=100); exchange reserves.

	Export volume	Import volume	Visible balance	Current balance	Oil balance	Terms of trade	Resv. US$bn*
1976							
4th qtr.	141.3	138.2	−982	−366	−1,002	79.1	4.13
1977							
1st qtr.	141.9	142.4	−930	−516	−816	80.4	9.62
2nd qtr.	149.9	144.4	−698	−280	−725	80.1	10.5
3rd qtr.	153.7	141.9	− 50	+399	−587	81.5	14.9
June	153.2	151.2	−298	−156	−197	80.2	11.57
July	153.5	149.1	−241	− 92	−199	79.6	13.4
Aug.	152.0	131.7	+140	+290	−183	82.0	14.9
Sept.	155.7	144.8	+ 51	+201	−205	83.0	17.17
Oct.	150.0	140.4	+ 46	+191	−231	83.9	20.21
Nov.	142.9	133.2	+ 73	+218	−153	85.3	20.39

FINANCIAL—Money supply M1 and sterling M3, bank advances in sterling to the private sector (three months' growth at annual rate); domestic credit expansion (£m.); building societies' net inflow; HP, new credit; all seasonally adjusted. Minimum lending rate (end period).

	M1 %	M3 %	Bank advances %	DCE £m.	BS inflow	HP lending	MLR %
1976							
4th qtr.	3.9	8.8	14.4	1,417	152	327	14½
1977							
1st qtr.	− 3.6	−10.2	5.3	−1,882	492	339	10½
2nd qtr.	16.8	13.3	5.6	809	1,290	352	8
3rd qtr.	34.4	14.8	22.8	−236	1,084	394	7
June	23.5	17.0	5.6	707	304	350	8
July	19.5	12.0	23.2	−293	320	362	8
Aug.	22.0	9.4	24.0	− 69	302	417	7
Sept.	34.4	14.8	22.8	126	462	402	6
Oct.	35.8	17.3	24.8	299	596	386	5
Nov.					354		7

INFLATION—Indices of earnings (Jan. 1976=100), basic materials and fuels, wholesale prices of manufactured products (1970=100); retail prices and food prices (1974=100); FT commodity index (July 1952=100); trade weighted value of sterling (Dec. 1971=100).

	Earnings	Basic matls.*	Wholsale mnfg.*	RPI*	Foods*	FT* comdty.	Strlg
1976							
4th qtr.	109.9	329.9	233.9	163.8	172.7	250.8	59.6
1977							
1st qtr.	112.5	341.5	248.0	174.1	184.7	276.4	61.8
2nd qtr.	114.8	347.8	259.0	181.9	191.1	250.0	61.6
3rd qtr.	118.1	341.1	267.7	184.7	192.1	239.9	61.8
June	115.4	345.2	262.4	183.6	193.7	250.0	61.5
July	116.2	344.6	265.8	183.8	192.0	243.2	61.0
Aug.	115.7	339.5	268.0	184.7	191.9	239.9	62.0
Sept.	116.5	339.1	269.2	185.7	192.5	241.6	62.4
Oct.		333.9	271.0	186.5	192.3	236.38	62.5
Nov.		330.3	271.9			238.34	63.5

* Not seasonally adjusted.

COMPANY NOTICES

SOUTHVAAL HOLDINGS LIMITED
(Incorporated in the Republic of South Africa)

DIVIDEND FOR YEAR ENDING 31st DECEMBER 1977

On 14th December 1977 dividend No. 4 of 21 cents a share, in respect of the year ending 31st December 1977 (1976: 6 cents), was declared in South African currency payable to members registered in the books of the company at the close of business on 30th December 1977.

The transfer registers and registers of members will be closed from 31st December 1977 to 13th January 1978, both days inclusive, and warrants will be posted from the Johannesburg and United Kingdom offices of the transfer secretaries on or about 20 February 1978. Registered members paid from the United Kingdom will receive the United Kingdom currency equivalent on 24th January 1978 of the rand value of their dividends (less appropriate taxes). Any such members may however elect to be paid in South African currency, provided that the request is received at the offices of the transfer secretaries in Johannesburg or in the United Kingdom on or before 30th December 1977.

The effective rate of non-resident shareholders' tax is 15 per cent.

The dividend is payable subject to conditions which can be inspected at the head and London offices of the company and also at the offices of the company's transfer secretaries in Johannesburg and the United Kingdom.

The estimated profit for the year ending 31st December 1977 is stated hereunder:

	1977 R	1976 R
Profit before taxation	9 485 000	960 000
Taxation	4 074 000	417 000
Profit after taxation	5 411 000	543 000
Retained profit brought forward	335 000	1 352 000
Profit available for appropriation	R5 746 000	R1 895 000
Dividend No. 4 of 21 cents a share	R5 450 000	R1 560 000

By order of the Board
ANGLO AMERICAN CORPORATION OF SOUTH AFRICA LIMITED
Secretaries
per: J. E. Townsend
Senior Divisional Secretary

Head Office:
44 Main Street,
Johannesburg 2001
(P.O. Box 61587
Marshalltown 2107)

London Office:
40 Holborn Viaduct,
EC1P 1AJ

Office of the United Kingdom Transfer Secretaries:
Charter Consolidated Limited,
P.O. Box 102, Charter House,
Park Street, Ashford, Kent TN24 8EQ

15th December, 1977

INTERNATIONAL FINANCIAL AND COMPANY NEWS

GERMAN NEWS

No payment again from Kloeckner-Werke

By Guy Hawtin

FRANKFURT, Dec. 14.

KLOECKNER-WERKE, West Germany's third largest steel producer, to-day reported a distinct decline in earnings during 1976-77. This will surprise no one, as the West German steel industry, together, with its competitors throughout the world, has been going through its worse recession in the post-war period.

Shareholders now look forward to the third year in a row without a dividend. However, hopes of a 1976-77 payout were remote from the beginning of the year, and it may be said that shareholders expecting a dividend for 1977-78 are extremely optimistic.

The news, published in the Kloeckner-Werke magazine, is that operating losses, which in the previous business year totalled DM95m., have risen well over the DM100m. mark. The reason, according to a preliminary report, was the very poor state of the steel market.

Kloeckner-Werke's total turnover during the 12 months declined by 1.1 per cent., from DM4.17bn. in 1975-76 to DM4.12bn. This, however, is rather smaller than could have been reasonably expected in view of the very weak state of demand and the enormous rise in steel imports into the Federal Republic.

Flat home demand was offset by a substantial increase in exports, the report indicated. Overseas shipments rose by 11.7 per cent., from just under DM1.2bn. to DM1.34bn. This was a result of a higher percentage of special steel exports in the total figure as the special steels sector was one that had been least affected by the world recession.

Kloeckner's figures show that iron and steel production turnover fell back by 2.4 per cent., from DM2.71bn. to DM2.65bn. *Against this, sales in the processing sector went up by 1.4* per cent., from just under DM1.46bn. to just over DM1.47bn.

The production figures make interesting reading. Rolled steel output fell in volume terms by 4.4 per cent., from the previous business year's 3.73m. tonnes to 3.56m. tonnes. However, rolled steel exports rose by 8 per cent. to over DM500m.

Deutsche Bank upturn

BY ADRIAN DICKS

BONN, Dec. 14.

DEUTSCHE BANK, the largest of the West German "big three" banking groups, expects its operating profit this year to be up by about one-fifth, on the *basis of the first ten months'* performance, the Board reported in Dusseldorf earlier this week.

Such a result would bring the bank's profits close to DM1bn., or well above their level in 1975—which was followed by a relatively weak performance in 1976.

The bank stated that its interest earnings grew to DM190m. during the first ten months, but ascribed this purely to a continued high rate of growth in its volume of business of 13 per cent. for the period. There had been no change in interest margins since last year, when they had been subject to considerable pressure.

Deutsche Bank gave no breakdown of its earnings from its Euromarket operations, but reported that it had continued to experience "extraordinarily lively business" in this field. The bank had managed or co-managed 104 issues during the first nine months and enhanced *its leading position in the* market, according to a statement by the Board.

Meanwhile, the overall Eurocurrency loan volume of $16.3bn. in the first nine months had come close to the $17.7bn. placed during the whole of the preceding year, the bank reported.

Herr F. Wilhelm Christians, co-chairman of the Deutsche Bank Board, forecast a continuing rise in values on West German stock markets in 1978, although he warned that it would not be uniform and by no means always steady. He based this forecast partly on the prospects for a moderate increase in gross national product, despite the preoccupation of business with wage pressures and with the handicap of a steadily appreciating Deutschemark.

Herr Christians also made clear that he saw prospects for German shares enhanced by low interest rates and by the reform of West German corporation tax, which has made it possible for many companies greatly to increase the cash dividend received by shareholders resident in the Federal Republic.

In this connection, Herr Christians appealed once again to the Government to extend the *benefits of the new tax regulations* to foreign shareholders.

Herr Christians also predicted that the West German bond market, after achieving a new record volume of some DM75bn. this year, would easily be able to finance new borrowing of at least DM80bn. in 1978. Despite falling yields on bonds in 1977, Herr Christians said he doubted that investors would desert the bond market, if only because of the shortage of alternative investment opportunities.

VFW/Fokker hopes for orders

BY OUR OWN CORRESPONDENT

BONN, Dec. 14.

A WEEK BEFORE the West German Cabinet is due to reach at least a preliminary decision on the future shape of the aircraft industry, executives of Vereinigte Flugtechnische Werke Fokker are still hoping they may be able to book new orders for the VFW 614 short-haul jet airliner that would keep the Bremen *production line open* and possibly avoid the need for a merger of the German-Dutch group with Messerschmitt-Boelkow-Blohm.

A spokesman for VFW/Fokker in Bremen confirmed this morning that discussions are under way with several potential customers, including American companies with whom contacts have been going on intermittently for some years.

Although VFW/Fokker has declined to name any of these possible purchasers, there is a feeling within the industry that the most likely source of a firm *order at this very late stage in* the VFW 614's career is Federal Express, a regional passenger and cargo carrier that is known to have been interested in the German plane for some time. It has been suggested in the past that Federal Express might want to buy as many as 10-20 of the 44-seat VFW 614's.

In order of this size, together with the joint production deal with Romania signed last summer, might be enough to persuade the Bonn Government *to stay its hand, when most* people in the industry had been expecting it to announce the termination of the VFW 614 project by the end of this year.

The Cabinet will be considering next week a series of proposals put forward by the official *co-ordinator* for the aerospace industry, Herr Martin Gruener, for assisting VFW/Fokker to adjust to the VFW 614s cancellation and to prepare the way for a takeover of the company by MBB in order to form a single major West German aerospace concern.

Even in the event of new orders for the VFW 614, the expectation is that they would have to be backed up by leasing arrangements highly favourable to the airline customer (as in the case of the Eastern Airlines' European Airbus deal), for which the *German Government would also* probably find itself footing much of the bill.

Saar steel to get state aid

THE WEST GERMAN Federal Government is ready to support the restructuring of the steel industry in the Saarland, Otto Graf Lambsdorff, Economics Minister, told a Press conference.

He said the Cabinet had reviewed possible aid for the restructuring, including a long-term soft loan to the Luxembourg-based Arbed to finance its takeover of the three Saarland companies, Roechling-Burbach, Neunkircher Eisenwerk and Dillinger Huette. The loan might be in the amount of DM700-800m., Lambsdorff said, with a life of 15 years.

Other "flanking measures"—primarily infrastructure aid and a special programme to place the estimated 8,000-15,000 workers affected by the restructuring—would total about DM275m. of Federal aid to the region, Lambsdorff said.

The Cabinet felt that the German steel industry as a whole, despite its present difficulties, had a realistic chance in the medium and long term if proper adjustment were made, the Minister said.

He added that the Bonn Government does not believe a "subvention race" with other European countries is the right way to achieve the restructuring of the industry. The Government will promote a subvention code for the European Community, and would consider the effects of EEC policy again in February.

EUROBONDS

Further fall in dollar sector

By Mary Campbell

THE TROUBLED Eurodollar sector of the international bond market was hit again yesterday by the even sharper fall in the dollar, particularly against the Swiss franc. With the dollar/Swiss franc rate closing at Sw.Frs.2.0765 after hitting a low point of Sw.Frs.2.055 earlier in the day, dealers reported selling of dollar-denominated bonds by retail investors yesterday, including Swiss clients. The closing rate on Tuesday had been Sw.Frs.2.104.

In general, dealers said, prices were down about ⅜ or half a point.

The heavy new issue calendar was further swollen yesterday by an announcement of a $50m. offering for the European Investment Bank. *This is for seven* years (bullet) and offers an indicated coupon of 8¼ per cent., the same as is being paid by International Nickel (Inco) in its seven year offering priced on Tuesday, and by the French Railways. The lead manager is Banque Arabe d'Investissement International and the management group consists entirely of Middle Eastern institutions.

Japan Line loans problem

TOKYO, Dec. 14.

JAPAN LINE, a major Japanese shipping company, has asked for a one-year delay in the repayment to banks of loans of some Y13.4bn. (around £30m.) due in the fiscal year starting in April, agencies report.

It is the first Japanese shipping line to seek such a moratorium. The company has been hit by the slump in the world shipping market, especially in the tanker field, and reported a net loss of Y5.62bn. (£3.3m.) in the half-year to September, against a profit of Y1.18bn. in the same period last year, on sales down to Y145.50bn. from Y155.52bn.

Of the debts for which delayed repayment is being sought, Y9.4bn. is due to the Government-sponsored Japan Development Bank, and Y4bn. to the Industrial Bank of Japan—the largest of Japan's long-term credit banks—and 13 other banks.

The company had an operating fleet of 19,529m. dwt at September 30, and the third largest operating revenues among Japanese shipping firms after Nippon Yusen KK and Mitsui OSK Lines.

Mr. Hisashi Matsunaga, the president, is expected to visit Mr. Eiichi Yoshioka, president of the Development Bank, on Monday to make a formal request for delay in payment.

The line is working out a programme to improve its position through sales of tankers and terminations of contracts for the charter of some trampers, Mr. Toji Owada, senior managing director, said.

The company's outstanding balance of borrowing will total Y120bn. (£270m.) as of March next year, including Y35bn. in long-term equipment investments, Y21bn. in long-term working funds, and Y14bn. in short-term working funds, according to the Transport Ministry, which said that the company also has considerable liabilities overseas in the form of guarantees to its subsidiaries.

Ian Hargreaves, shipping correspondent, adds: Public manifestation of Japan Line's problems has been expected for some time and there is a widespread feeling within the tanker world that a spate of tanker debt financing difficulties will emerge in the coming months.

Japan Line, with a fleet of about 80 tankers, is believed to be the company with the largest exposure on the world spot charter market for tankers—a market which has picked up a little in recent weeks on pre-OPEC price fixing rumours, but which is still languishing at heavily loss-making levels.

Japan Line's owned fleet comprises only 19 tankers, but it has a large number of vessels on long-term charter. Tanker tonnage of around 4.5m. dwt is on period charter from a single owner—Y. K. Pao's World Wide (Shipping) of Hong Kong.

One possible explanation of the Japanese strategy in seeking a deferment of loan payments is to put pressure on World Wide among charter rates and so ease some of the burden of the slump in worldscale values.

Throughout the world, banks which clambered to be involved in the 1973-75 shipping boom by financing "floating real estate" are now assessing the best way of minimising the losses on a portfolio which has disastrously wrong. The International Maritime Industry Forum recently forecast that losses accruing to tanker owners could reach $448m. this year, increasing to $1.8bn. by 1980.

But in spite of prognostications of a major sweep-out of the grossly overtonnaged shipping industry, banks have not so far been seen applying undue pressure on shipowners.

There has been no major tanker owner crash in Greece, for example, and in Norway where a number of companies have been forced by banks' problems into reorganisation the Government set up a Guarantee Institute in an attempt to help owners weather the crisis.

There is also a move in Norway by tanker owners to set up some kind of pooling arrangement for large crude oil carriers in an attempt to protect themselves against further weakness of charter rates. At the end of last month, 36.7m. tons of tanker capacity was laid-up, out of a total world fleet of 328m. tons.

AMERICAN NEWS

SEC considers inflation accounting

NEW YORK, Dec. 14.

MR. Harold M. Williams, chairman of the SEC, said current accounting standards don't adequately reflect the true business picture because of inflation, reports AP-DJ. He said the SEC is looking into new accounting standards to reflect inflation.

In the future Mr. Williams said that "perhaps a measure more closely tied to inflation-adjusted earnings or to cash flow relative to the cost of asset replacement will become the chief instrument for securities analysts."

He later added in an interview that details of inflation accounting *have not been worked out.* "My purpose in to-day's speech was to show the pressing need for something to be done so that we can get on to the issue of how to do it," he said.

Carling National up for sale

BY STEWART FLEMING

NEW YORK, Dec. 14.

CARLING O'KEEFE, third largest Canadian brewing company, has announced that it is looking for a buyer for its Carling National Brewing interests in the U.S.

Carling National is the tenth-largest U.S. brewer, but it has been plagued with losses intermittently over recent years. The company produces such brands as Black Label, Tuborg Gold and Colt 45, and it imports Carlsberg from Denmark. At one stage, with its merger in 1975 with National Brewing, it seemed that Carling O'Keefe (which is controlled 50.1 per cent. by Rothmans of Pall Mall Canada) aspired to become a national brewing chain in the U.S.

But it has not been a particularly profitable operation. In the fiscal 1977 year it earned profits of only $569,000 on sales of $225m.

In the first half of the current fiscal year the U.S. brewing operation has again incurred losses.

Carling O'Keefe has oil and gas interests in western Canada and there is speculation that it might concentrate more of its energies in this direction with the sale of the U.S. operation, which is expected to be announced shortly.

Gloucester Eng. German deal

GLOUCESTER ENGINEERING said it signed a definitive agreement and plans to merge with Battenfeld Maschinenfabrik GmbH of Meinerzhagen, West Germany, reports AP-DJ, of Massachussetts.

Under the agreement, all holders of Gloucester would receive $22 a share for their stock, Gloucester said.

The transaction is dependent upon satisfaction of various conditions including approval by Gloucester holders.

DRESSER INDUSTRIES INC.

Fourth Quarter	1977 $	1976 $
Revenue	732.5m.	581.5m.
Net profits	61.6m.	53.3m.
Net per share	1.58	1.37
Year		
Revenue	2.53bn.	2.23bn.
Net profits	185.1m	156.8m.
Net per share	4.75	4.19

SELECTED EURODOLLAR BOND PRICES
MID-DAY INDICATIONS

STRAIGHTS	Bid	Offer
Alcan Australia 8¾pc 1989	99¾	100
AMEV 8pc 1987	96¾	97
Australia 8¾pc 1992	96¾	97
Australian M. & S. 8¾pc '92	100¾	101
Barclays Bank 8¾pc 1992	98¾	99
Bowater 8¾pc 1993	99¾	100
Can. N. Railway 8¾pc 1986	98¾	99¼
Credit National 8¾pc 1986	98	98¾
Denmark 8¾pc 1984	100¾	101
ECS 9pc 1993	100	100¾
ECS 8¾pc 1997	98¾	99
EIB 8¾pc 1992	99¾	100
EMI 9¼pc 1989	99¾	100
Ericsson 8¾pc 1989	99	99¾
Esso 9pc 1986 Nov.	100¾	101¼
Gt. Lakes Paper 8¾pc 1984	99	99¾
Hamersley 9¼pc 1992	101	101¾
Hydro-Quebec 9pc 1992	97¾	98¼
ICI 8¾pc 1987	98¾	99
IBE Canada 9¼pc 1986	102¾	103¼
Macmillan Bloedel 9pc 1992	100¾	101¼
Massey Ferguson 9¼pc 1991	102¾	103
Michelin 9¼pc 1988	101¾	102
Midland Int. Fin. 8¾pc '92	98¾	99¼
National Coal Bd. 8pc 1987	95¾	96¼
National Wstmnstr. 9pc '86	102¾	103
Newfoundland 9pc 1989	100¾	101¼
Norges Kom. Bank 8¾pc '92	97¾	98¼
Norpipe 8¾pc 1989	97¾	98¼
Norsk Hydro 8¾pc 1992	97¾	98¼
Oslo 9pc 1988	100¾	101
Ports Autonomes 9pc 1991	99¾	100¼
Prov. Quebec 9pc 1985	96¾	97¼
Prov. Saskatch. 8¾pc 1986	100¾	101¼
Reed Internatnl. 9pc 1987	96¾	97¼
RBM 9pc 1992	97	97¾
Selection Trust 8¾pc 1989	93¾	94¼
Skand. Enskilda 9pc 1991	100	100¾
SKF 8pc 1987	94¾	95
Sweden (Kingdom) 8¾pc 1987	96¾	97¼
United Biscuits 9pc 1989	99¾	100¼
Volvo 8pc 1987 March	94¾	95¼
NOTES		
Australia 7¾pc 1984	96¾	97
Bell Canada 7¾pc 1987	97¾	98¼
Br. Columbia Hyd. 7¾pc '85	95¾	96¼
Can/Pac. 8¼pc 1984	99	99¾
Dow Chemical 8pc 1986	100¾	101
EGS 7¾pc 1982	97¾	98
ECS 8¾pc 1989	97¾	98
EEC 7¾pc 1982	97¾	98
EEC 7¾pc 1984	96¾	97¼
Enso Gutzeit 8¼pc 1984	97¾	98
Gotaverken 7¾pc 1982	95¾	96
Kockums 8pc 1983	97¾	98¼
Michelin 8¾pc 1983	100	100¾
Montreal Urban 8¾pc 1981	99¾	100
New Brunswick 8pc 1984	98	98¾
New Bruns. Prov. 8¾pc 1983	102¾	103
New Zealand 8¾pc 1986	98¾	99
Nordic Inv. Bank 7¾pc 1984	96¾	97¾
Norsk Hydro 7¾pc 1982	98	98¾
Norway 7¾pc 1982	97	97¾
Ontario Hydro 8pc 1987	97	97¾
Shell 8¾pc 1982	100	100¾
S. of Scot. Elec. 8¾pc 1981	100	100¾
Sweden (Kingdom) 7¾pc 1982	97¾	98
Swedish State Co. 7¾pc 1982	97¾	98
Telmex 9¼pc 1984	99	99¾
Tenneco 7¾pc 1987 May	94¾	95
Volkswagen 7¾pc 1987	93¾	94¾
STERLING BONDS		
Courtaulds 9¾pc 1989	95¾	96¼
ECS 9¼pc 1989	99¾	100
EIB 9¼pc 1992	97¾	98¼
Finance for Ind. 9¼pc 1987	96¾	97¼
Fisons 10¼pc 1987	97¾	98¼
Total Oil 9¼pc 1984	96¾	97¼
DM BONDS		
Austria 8¾pc 1985	100	100¾
BFCE 7pc 1987	102¾	103¼
Denmark 6¾pc 1983	103¾	104¼
EIB 6¾pc 1984	104¾	105¼
Grand Met. 7pc 1984	100¾	101
Hydro-Quebec 6¾pc 1987	99¾	100¼
ICI 6¾pc 1987	103¾	104¼
Montreal 7pc 1987	101	101¾
Norsea Gas 7pc 1989	104¾	105
Norsk Hydro 6¾pc 1989	104¾	105
Norway 8¼pc 1982	102¾	103¼
Shell 6¾pc 1989	107¾	108
Spain 6¾pc 1984	99¾	100¼
Sweden 6¾pc 1984	104¾	105
World Bank 6¾pc 1987	102	102¾
FLOATING RATE NOTES		
Bank of Tokyo 1984 7 13/16pc	99¾	99¾
BFCE 1984 7pc	97¾	97¾
BNP 1982 6¾pc	96	96¾
CCF 1983 7pc	99¾	99¾
CGMF 1984 6 13/16pc	97¾	98¼
Creditanstalt 1984 7¾pc	96¾	96¾
Credit Lyonnais 1982 6¾pc	98¾	99¼
DG Bank 1982 6¾pc	99¾	100
GZB 1981 7¼pc	99¾	100¼
Intl. Wstmnstr. '84 7 15/16pc	99	99¾
Lloyds 1983 7¾pc	99¾	100¼
LTCB 1982 6¾pc	99¾	99¾
Midland 1982 6pc	101¼	101¾
Midland 1987 7 11/16pc	98¾	99¼
OKB 1983 6¾pc	98¾	99¼
SNCF 1985 6 13/16pc	97	97¾
Stndd. and Chartrd. '84 6¾pc	98¾	99
Wms. and Glyns 1984 7pc	99¾	99¾

Source: White Weld Securities.

CONVERTIBLES	Bid	Offer
American Express 4¼pc '97	86¾	87¾
Ashland 5pc 1988	83	84
Babcock & Wilcox 6½pc '97	91	92
Beatrice Foods 4½pc 1992	93¾	95¼
Beatrice Foods 4½pc 1992	102	109
Beecham 8½pc 1992	97¾	98¼
Borden 5pc 1992	101	103
Broadway Hale 4½pc 1987	74¾	75¾
Carnation 4pc 1997	79	81
Chevron 5pc 1988	125	127
Dart 4½pc 1987	79	81
Eastman Kodak 4½pc 1988	84¾	86¼
Economic Labs. 4½pc 1987	78¾	81¼
Firestone 5pc 1988	83¾	84¾
Ford 5pc 1988	83¾	85¼
General Electric 4½pc 1987	82	84
Gillette 4½pc 1987	75¾	77¾
Gould 5pc 1987	113	115
Gulf and Western 5pc 1988	77¾	79¼
Harris 5pc 1992	142	144
Honeywell 6pc 1986	86	88
ICI 6½pc 1992	96¾	97¾
INA 6pc 1997	94¾	95¾
Inchcape 6½pc 1992	102¾	103¾
ITT 4½pc 1987	79¾	81¼
Jusco 6pc 1992	102	103
Kennecott 7½pc 1990	98¾	100¼
J. Ray McDermott 4½pc '87	169	171
Matsushita 6½pc 1990	118	119
Mitsui 7½pc 1990	102¾	103¾
J. P. Morgan 4½pc 1987	95	97
Nabisco 5½pc 1993	99¾	100¼
Owens Illinois 4½pc 1987	124	126
J. C. Penney 4½pc 1987	78¾	79¾
Revlon 4½pc 1987	113	115
Reynolds Metals 5pc 1988	84	86
Sandvik 6½pc 1988	102¾	103¾
Sperry Rand 4½pc 1987	84	86
Squibb 4½pc 1987	78¾	80¼
Texaco 4½pc 1988	78	80
Toshiba 6½pc 1982	90¾	91¾
Union Carbide 4½pc 1982	91	93
Warner Lambert 4½pc 1987	81¾	83¾
Warner Lambert 4½pc 1988	77	79
Xerox 5pc 1988	77	79

Source: Kidder, Peabody Securities.

The Long-Term Credit Bank of Japan, Ltd.

Negotiable Floating Rate U.S. Dollar Certificates of Deposit
Maturity date 15th December 1980

In accordance with the provisions of the Certificates of Deposit notice is hereby given that for the initial six month interest period from 15th December 1977 to 15th June 1978 the Certificates will carry an Interest Rate of seven and thirteen sixteenths (7 13/16) per cent per annum.

Reference Agent
The Chase Manhattan Bank, N.A.,
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DG BANK

DG Bank Finance Company B.V.

U.S. $50,000,000 Floating Rate Note Issue due 1982

For the six months December 15th, 1977 to June 15th, 1978 the Notes will carry an interest rate of 7 13/16% per annum.

By: Morgan Guaranty Trust Company of New York, London Agent Bank

VONTOBEL EUROBOND INDICES
145.76=100%

PRICE INDEX	13.12.77	6.12.77	AVERAGE YIELD	13.12.77	6.12.77
DM Bonds	107.49	107.41	DM Bonds	6.570	6.587
HFL Bonds & Notes	101.23	101.53	HFL Bonds & Notes	8.202	8.137
U.S. $ Strt. Bonds	100.80	101.16	U.S. $ Strt. Bonds	8.554	8.488

CREDITANSTALT—BANKVEREIN

U.S. $40,000,000 Floating Rate Notes, 1981

Notice is given pursuant to condition 3(d) of the terms and conditions of the above-mentioned Notes that the rate of interest (as therein defined) for the interest period (as therein defined) from 16th December, 1977 to 16th June, 1978 is at the annual rate of 7 13/16 per cent. The U.S. Dollar amount to which the holders of Coupon No. 4 will be entitled on duly presenting the same for payment will be U.S. Dollars 39.4965 subject to such amendments thereto or *appropriate alternative arrangements by way of amendment)* which we may make, without further notice, in the event of an extension or shortening of the above-mentioned interest period.

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Weekly net asset value
on December 12th, 1977

Tokyo Pacific Holdings N.V.
U.S. $ 39.55

Tokyo Pacific Holdings (Seaboard)
U.S. $ 28.83

Listed on the Amsterdam Stock Exchange

Information: Pierson, Heldring & Pierson N.V., Herengracht 214, Amsterdam

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December, 1977

INTERNATIONAL FINANCIAL AND COMPANY NEWS

EEC CORPORATE TAXES

Rejection for draft directive

BY DAVID BUCHAN

STRASBOURG, Dec. 14.

THE EUROPEAN Parliament to-day voted to reject a Brussels Commission draft directive for the harmonisation among the nine of company profits taxes and of withholding taxes on dividends.

The rejection of the proposal, which would require EEC States to operate a "partial imputation" system whereby shareholders can offset part of the corporation tax already paid on distributed profits against income tax on dividends, was unexpected after the draft directive had won the backing of the Parliament's Budget Committee.

However, German MPs, worried about the changes that would be required in that country, and others concerned about the general effect on U.S. and third country investors who would not benefit from the new system, combined to vote down the proposal. It will now have to go back to the Commission, instead of being able to go before the Council of Ministers for approval.

In any event the U.K. and Ireland would not have been forced to change their habits by the proposed change. Both countries, along with France and Belgium, already operate a partially imputed tax system. But West Germany uses a full imputation system in which corporation tax can be fully offset against the tax liability of shareholders.

EEC tax commissioner Richard Burke said in the debate that while full imputation might be desirable, it was impossible to introduce throughout the Community without reducing the total tax burden on companies and shareholders.

There would even, he acknowledged, be a loss to national treasuries resulting from a switch to the partial imputation method. So that this is not made up by higher taxes affecting the non-shareholding classes, the Commission recognises that corporation taxes may have to be raised. The Commission has in mind a rough bracket for these rates between 45 to 55 per cent.

According to Commission estimates, present corporation tax rates in the Community are 52 per cent. in the U.K., Belgium 48 per cent., Denmark 37 per cent. A split rate in Germany of 56 per cent. on non-distributed profits and 36 per cent. on distributed profits, France 50 per cent., Ireland 45 per cent., Italy 38 per cent., Luxembourg 40 per cent. and the Netherlands 48 per cent.

Both the Commission, and now the Parliament, have rejected the so-called "classical" company tax system practised by Denmark, Italy, the Netherlands and Luxembourg as the basis for a European system. This system, which taxes profits twice, first as company profits and then as dividends, is said to discriminate against small shareholders.

Under the classical system, Mr. Burke said, company tax rates tend to be low. Major shareholders, therefore, tend to go for capital growth of their shares and can realise their profit in the form of capital gains which are not taxed or taxed at a lower rate.

Papyrus interim profits down

By William Dullforce

STOCKHOLM, Dec. 14.

PAPYRUS, THE SWEDISH pulp, paper and board concern, shows a profits slide in its interim report for the first seven months of the 1977-78 financial year. Pre-tax earnings are given as Kr.11.1m. (£1.27m.) for the seven months ending October 31, on turnover totalling Kr.655m. (£75.3m.).

This compares with earnings of Kr.46.3m. during the six months ending September 30 last year, when sales were Kr.523m. The seven-month figure would have shown a slight loss had Papyrus not capitalised interest costs of Kr.11.9m. in connection with the completion and running-in of its new factory at Fors. The figure also contains Kr.7.1m. in State subsidies.

Describing the result as unsatisfactory, the interim report states that strong measures are being taken to cut costs and improve income. Most of the concern's units were forced to cut back production "substantially" during the period, and export prices for most products fell.

The poor profits performance led to increased borrowing and a decline in liquid assets. Net financial costs increased from Kr.12.5m. in the first half of the 1976-77 financial year to Kr.21.6m. in the first seven months of the current financial year.

The reduction in domestic pulpwood prices has narrowed the large gap between the raw material costs of the Swedish mills and those of foreign competitors, the interim report notes, but with a low order intake and low price levels for most products, the result for the year as a whole would be "unsatisfactory."

BANK OF ENGLAND BULLETIN

Medium term lending volume falls again

BY MARY CAMPBELL

THE VOLUME of newly announced medium term Eurocredits fell for the second quarter running, to $7¾bn. in the third quarter of this year, according to Bank of England figures. The amount had been $3¾bn. in the second quarter and $9bn. in the first quarter.

The Bank attributes the fall partly to the July and August holiday period. New foreign and international bond issues, similarly, fell to $6¼bn. in the third quarter from $8bn. in the second, and $6¼bn. in the first quarter.

Only limited information on the Euromarket as a whole is as yet available for the third quarter. However, the detailed figures from the Bank of England's analysis of developments in the London banks' Eurocurrency business are indicative of general trends, since London accounts for between 40 per cent. and 50 per cent. of Euromarket business transacted in western Europe.

The major development in the summer months was a change in the trend towards deposits being placed for longer maturities which had emerged in the three months to mid-May. The London Eurocurrency market in general grew faster in the third quarter than in the second—non-sterling deposits with London banks rising by $8bn. compared with $6¼bn. But within this overall acceleration, short term deposits grew much faster than longer term.

Over a third of the rise in deposits in the three months to mid-August was at the very short end—in deposits of less than eight days. While there was also some rise in very short-term lending, this was substantially smaller than the rise in short-term deposits. Thus on a net basis at the very short end—short term deposits less quickly realisable assets—the banks' net deposits rose by $2.4bn. to $10.7bn.

The most interesting point about this development is that it reverses what happened in the previous quarter when banks' net deposits fell by $2¾bn. This rise had marked a turn-round from a trend which had lasted for about the previous two years.

The previous quarter's move out of very short-term deposits had been attributed by the Bank of England to the firming of short-term Eurodollar interest rates, which it said, "encouraged depositors to arrange longer maturities." The Bank does not comment on the reversion to the previous trend.

The shift towards shorter term deposits in the quarter to mid-August happened despite a continuing rise in interest rates. Although rates did fall off early in the period, they rose again later.

Other major Euromarket developments reported in the latest Quarterly Bulletin include a further run-down in London banks' lending to banks in Japan and a sharp rise in lending to banks in Belgium-Luxembourg. Banks in Japan cut back their borrowing from the London market to $11.5bn. at the end of September from $12.2bn. three months earlier and $15.7bn. at the end of last year.

Net of deposits with the London market, borrowing by banks in Japan fell from $10.1bn. in June to $9.6bn. in September.

Intercom to pay same

BRUSSELS, Dec. 14.

SOCIETE INTERCOMMUNABLE Belge de Gaz et d'Electricite SA (Intercom) said 1977 results would enable it to pay a dividend at least equal to last year's B.Frs.142 net per share.

The comments were made in a prospectus on the company's Frs.3.5bn. 9 per cent. nine-year loan floated on the Belgian capital market at 98.75 per cent. this week.

Intercom's 1976 net profit was Frs.2.7bn. on group turnover B.Frs.39.9bn., while its net dividend was B.Frs.129 per share for the three years up to 1975.

Intercom said electricity sales rose 5 per cent. in the first nine months of 1977 over the same period last year, and gas sales rose 18.7 per cent. over the first eight months.

Profits before depreciation and payments to reserves in the first half of this year rose to Frs.5.7bn. from B.Frs.5.4bn. in the same period of 1976.

PUK may quit fertilisers

BY DAVID CURRY

PARIS, Dec. 14.

DESPITE THE very strong recovery in cash-flow and profits this year, the French metals group Pechiney Ugine Kuhlmann is still far from being able to claim a definitive return to health. Not only are the estimated results for 1977 good only in parts, but the general perspective is also uncertain.

These were the essential points of a diagnosis given yesterday by M. Philippe Thomas, the PUK chairman. The only indication of a change of course in the group's general strategy was the hint by M. Thomas that PUK might eventually decide to pull out of the fertiliser sector, which is in the middle of a rather painful regrouping.

The group is forecasting a prudently wide bracket for 1977 consolidated net profits of between Frs. 350m. and Frs. 500m., with the betting somewhere halfway at Frs. 420m. In 1976 it was Frs. 153m. Even at Frs. 400m. PUK will still be well short of its 1974 record earnings of Frs. 744m.

Cash-flow is likely to be some Frs. 1.4m., around one-third to the good, with some 57 per cent. of that coming from overseas. Against this must be put the fact that it takes around Frs. 1bn. of spending a year just to keep its installations in trim.

Investments of some Frs. 1.5bn. in 1977 will be surpassed by some Frs. 200m. in 1978, according to plans. The group notes in particular that it has been able in 1977 to improve its financial structure and contain the increase in indebtedness. Turnover of around Frs. 25.9bn. this year takes into account a 5 per cent. volume increase and a 10 per cent. price rise.

The year's strong points have been aluminium, both at home and overseas, and light industry. Special steels, electro-metallurgy, copper transformation and chemicals have been the dark spots. Ugine Aciers, for example, will have lost some Frs. 280m. this year before amortisation.

However, domestic aluminium plants have operated at around 94 per cent. capacity, and the division thinks that de-stocking has more or less come to an end, particularly in the U.S., Germany and Italy.

The light industry activity has been sustained, thanks particularly to the manufacture of turbine parts in the U.S., and, together with the obscurely-named activity "French technology overseas" (which in practice means the overseas subsidiaries, dominated by aluminium manufacture) have chalked up significant contributions to profits.

The overseas activities, for example, contributed 18 per cent. of group turnover and 48 per cent. of group profits, while accounting for only 17 per cent. of gross fixed assets. Light industry contributed, respectively, 19, 21 and 12 per cent. The proportions are reversed for the metals sector and for chemicals.

The strategy of the group rests on the three obvious pillars of tackling the weak points, developing the strong ones, and placing a lot of faith in the overseas activities.

For the first element, which embraces copper and fertilisers, suffering from severe competition, and steel and petrochemicals, afflicted with over-capacity, the group is talking about the necessity of reorganisation and sectorial reconstruction.

In the second category of areas to be developed fall aluminium, of which PUK is the world's fourth largest producer, ferro-alloys, carbon products, fire-proofing materials inks and nuclear-related activity like uranium-based materials and zirconium.

The proposed Frs.1.7bn. investment programme for 1978 (less than 20 per cent. overseas—a point no doubt spelled out for the benefit of the left) will be spent to the tune of Frs.600m. on aluminium, Frs.450m. on chemicals and Frs.200m. on nuclear activities.

	Turnover Frs.bn.		Gross profits Frs.m.		Per cent. fixed asset
	1976	1977	1976	1977	1977
Metals	9.9	11.5	120	430	45
Chemicals	4.5	4.8	150	130	26
Light Ind.	4.3	5.1	335	370	12
French Technology	3.6	4.5	590	870	17
Overseas Group	22.3	25.9	1.195	1.800	100 –

CSR's coking coal programme

BY JAMES FORTH

SYDNEY, Dec. 14.

CSR, THE sugar, mining, building products and pastoral group, hopes that a decision can be made on the development of the $A500m. Hail Creek coking coal project within two years.

CSR recently acquired the major interest in Hail Creek through the takeover of AAR, after the U.K.-controlled Conzinc Riotinto of Australia was refused permission to make a counter offer. In their interim report, the directors emphasise that the development of Hail Creek would be a major priority for CSR and an investment decision would be made as soon as conditions were appropriate.

The directors continue to seek opportunities to strengthen the group's already strong resource base. Last month they reported a 3 per cent. increase in group profit to $A24m. for the September half year.

The report disclosed that $A27m. will be spent on modifying the bauxite treatment plant at Gove Alumina, in which CSR has a 51 per cent. stake. Gove Alumina in turn has a 30 per cent. interest in the Gove project. The modification will allow the plant to produce sandy alumina rather than floury alumina, which is produced at present.

Referring to CSR's interest in the Mt. Newman iron ore operation, the directors said the world-wide depressed conditions for steel industries have led to the shelving of plans for expansion of output beyond 40m. tonnes a year.

Mt. Newman shipped 12.9m. tonnes of iron ore in the half year, 3.1m. tonnes less than in the first half of last year and about 4.6m. tonnes less than originally scheduled. The major cause was 56 days of production lost through industrial action. Since the return to work, record output rates have been achieved, and considerable effort was being made to build and sustain an improved industrial relations climate in the Pilbara.

Iron ore shipments were currently restricted by reduced demand. The directors said there were encouraging signs that inflation in Australia may be moderating, which, if it were sustained, opened up the possibility of more relaxed economic policies.

Referring to the new international sugar agreement, the directors said the export quota accepted by Australia represented a sacrifice in terms of existing production and exports in the expectations of obtaining higher and more stable prices.

Discussions were continuing over possible revised terms for the long term contracts with buyers in Malaysia and Singapore.

P & O Australia oversubscribed

AUSTRALIAN investors have apparently fallen over themselves in the rush to apply for a slice of the public issue of 25 per cent. of P & O Australia, the local offshoot of Peninsular and Oriental Steam Navigation, writes James Forth from Sydney. The issue closed to-day heavily oversubscribed, only two days after the application lists opened.

The public were offered 6.25m. shares at $A1.80 each to raise $A11.25m. The directors forecast an initial annual dividend of 16 cents a share.

The allotment of shares will be made in the next few days and share certificates will then be despatched. Once this is completed, the shares will be quoted locally.

Eurtey Tunis deal

EURTEY INDUSTRIES, a French engineering company, has set up a Tunisian subsidiary called Tunisie Engineering S.A. (TESA) in association with three Tunisian concerns—Banque de Developpement Economique de Tunisie, Banque Nationale de Tunisie and Societe Central pour l'Amenagement du Territoire (SCAT) Tunisie, reports AP-DJ from Paris.

The new company will be responsible for carrying out engineering work, buying materials and overseeing industrial projects in Tunisia.

European satellite joint venture

THE MAJOR producer of aerospace equipment in continental Europe, Aerospatiale, has announced the conclusion of a joint venture for the construction of heavy satellites for telecommunications and other practical uses, reports UPI from Paris.

The joint subsidiary, called Eurosatellite, has been formed by Societe Nationale Aerospatiale (SNIAS) of France, Messerschmitt - Boelkow - Blohm GMBH (MBB) of West Germany and Etudes Techniques et Construction Aerospatiale (ETCA) of Belgium.

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DECEMBER 1977

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Saudi phone deal: good news for Europe but not the U.K.

BY MAX WILKINSON AND JOHN LLOYD

IT IS HARD to over-estimate the significance of the Saudi Arabian telecommunications contract for Philips and Ericsson the two European companies in the winning consortium.

The contract, the result of which was announced yesterday, is far the biggest ever offered for supply of new computer controlled exchange networks, and it will therefore give both companies a leading place in this hotly disputed world market.

For Ericsson, the deal represents further dramatic confirmation of the superiority of its AXE stored program control (SPC) range of exchanges. In October, Ericsson won $500m. worth of business to supply AXE exchanges to Australia. Together the two contracts represent a major slice of the available business in the world's rather limited open market.

For Philips the order is by far the biggest step it has made outside Holland with its new PRX computer controlled system.

Philips can point proudly to the 500,000 telephone lines in Holland which are controlled by PRX. It claims to have at least as good a computerised system as any other on the market and because it started earlier than its European competitors, in 1972, Philips says it has had time to iron out the initial problems.

However, like Ericsson, Philips suffers the major disadvantage of having a very limited home market in a field where the governments of developed countries are very loath to allow foreigners to tender.

The British companies which formed a consortium with Western Electric will be keenly disappointed by their failure to get the contract. Not only does it mean that they lose more than £300m. of business, but they have also, in concert with Government and the Post Office, put much effort into securing the contract.

It was the leading U.K. member of the consortium — Plessey—which first persuaded Western to lead the bid. This was all the more remarkable, because the persuasion was undertaken at a time — in early 1976 — when it seemed certain that Philips of Holland had already secured the contract. Yet Dr. Bill Willetts, head of Plessey's telecommunications division, persuaded Western that business in the Middle East was not a cut and dried affair.

In the event, Willett's optimism was justified—at least in the short term. Philips overbid for the contract—offering a price of rivals 24bn. or £3.72bn. (more than double its present bid)—and the contract went out to tender. By that time, the Western-Plessey deal had already taken on BICC, the British cable makers, which is one of the world leaders in telecommunications cables, as well as the currently highly efficient, state-owned Cable and Wireless, which specialises in providing telephone networks for overseas countries.

In fact, Plessey had mooted an all-British consortium when the Saudi deal first became known in late 1975. Again at the instigation of Plessey, BICC and Cable and Wireless explored the possibility of a three-way tender — and decided they were too small. More crucially, they had no computer-controlled exchange to offer.

While Western Electric dominated the Anglo-American contract, observers—and competitors—conceded that the three companies which formed the British "tail" greatly strengthened the bid. BICC had already cabled a large part of the existing Saudi network, and had experience of difficult overseas terrain. Cable and Wireless had operated in most Middle Eastern states, and enjoyed a high reputation there. The Plessey TXE2 semi-electronic exchange was thought ideal for the small rural exchanges which the Saudis had specified.

The British Government, in the shape of Mr. Gerald Kaufman, Minister of State at the Department of Industry, took a hand in the proceedings earlier this year. Mr. Kaufman talked to his opposite Saudi number, Dr. Alawi Kayyal, and assured him of governmental support.

The Post Office, which had been tagged on to the Anglo-American bid in an advisory capacity, made similar assurances. Only last week, Sir William Barlow, the new chairman, sent a personal letter to Dr. Kayyal, endorsing the Anglo-American bid.

A novel selling point offered by the consortium was a plan by C and W to instal two telephones in the Saudi royal palace, linked in to the Saudi telephone exchange. But all these initiatives were not enough to secure the deal.

In the U.K., Germany, France, Japan and America, the great bulk of orders has been given to domestic suppliers. It is therefore significant that both Ericsson and Philips have been ahead of their competitors with tied markets in developing the new generation of exchanges.

Ericsson of Sweden and Philips of Holland have won the Saudi Arabian telecommunications contract in the face of strong opposition from an Anglo-American consortium. The award means that the two European companies are now the world leaders in the manufacture and supply of computer-controlled telephone exchanges.

Both companies have had to push forward the technological frontiers in order to carve out any sort of a living. By contrast the British owned suppliers, Plessey and GEC have been tied to the requirements of the Post Office which has been several years behind the rest of the world in sponsoring the development of an exportable SPC system.

SPC represents a radical change from the traditional electro-mechanical system of making telephone connections. Under the old system, banks of switches are controlled by signals generated when a number is dialled.

But under the new system making the connection, calculating charges and many other functions are all controlled by computers. In both the Ericsson and the Philips systems computers can give subscribers many new facilities.

The present systems convert speech paths through miniature reed relays which consist of two metal contacts in a capsule. However they can be eventually converted to a completely computerised operation. This converts ordinary speech into computer language digits so that calls can be connected within computers themselves.

The Post Office's System X now being developed will jump straight into this fully digital technology without the intermediate steps represented by the Philips and Ericsson systems.

Apart from prestige, the Saudi contract will therefore give Ericsson and Philips valuable experience in getting a large system of 450,000 lines going almost from scratch.

The present electro-mechanical (Crossbar) exchanges serving 200,000 lines in Saudi Arabia were all installed by Ericsson which has been operating in the country for the last 13 years. In addition to the main contract, Ericsson will have about $10m. worth of business in upgrading these exchanges to SPC operation.

The time limit for the completion of the contract set by the Saudis is extremely tight, particularly in view of the difficulties in working in the desert. However Ericsson has already started recruiting in anticipation of winning the contract.

Together Philips and Ericsson will have about 800 people working in the kingdom and a complete township will have to be built to accommodate them near Riyadh, the Saudi capital.

One of the major problems they face is the complexity of the contracted work. This was one of the reasons why Philips had to over-bid for the contract last year. At that stage Philips was intending to use Ericsson as a subcontractor. British companies believe Philips actually received a letter of intent although the company denies this. In any event the original Philips estimate for the work of about £3.72bn. was rejected by the Saudis and the job was put out to tender again.

Ericsson was then brought in by Philips as an equal partner along with Bell of Canada who was to manage the system when it was installed. The main competitors were ITT and the Anglo-American consortium headed by the giant Western Electric.

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WALL STREET + OVERSEAS MARKETS + FOREIGN EXCHANGES

Late rally leaves Dow 7.4 higher

BY OUR WALL STREET CORRESPONDENT

NEW YORK, Dec. 14

AFTER SHOWING fresh dullness for most of to-day's session, Wall Street stocks staged a late rally to finish with a firm bias on balance after increased activity.

The Dow Jones Industrial Average ended a net 7.45 higher at 822.66, after having receded to 811.42, while the NYSE All Common Index closed 21 cents up at $51.90, after $51.60, and gains finally led declines by 746 to 648. Turnover further expanded by 3.82m. shares to 22.11m. from yesterday's level.

Analysts said the rally developed after share prices failed to retreat in the face of bad news about the dollar and disappointing early-December car sales figures. They noted that institutional tax selling, which could have cut the recovery movement short, has about run its course.

The dollar fell to a new low in London and New York. It was buoyed briefly here by rumours that President Carter would announce the reappointment of Federal Reserve Board Chairman Arthur Burns at his news conference to-morrow morning, but the White House denied the rumours.

General Motors climbed $¾ to $64¼ in active trading, while Ford Motor gained $¼ to $44¼ but Chrysler eased $¼ to $13⅞. Ford reported higher car sales, but Chrysler and GM reported lower sales for the first 10 days of December.

Coastal States Gas plunged $7¼ to $11½—the Texas Railroad Commission has ordered the company to refund more than $1bn. of extra gas charges.

Marshall Field soared $9½ to $32—the Board has rejected a tentative offer by Carter Hawley Hale, down $⅝ at $19⅞, to acquire the company for stock.

Du Pont rose $3¾ to $119, Kodak $¾ to $51½, IBM $2¾ to $266¼, and Texas Instruments $1⅞ to $72½, but Dorr-Oliver fell $3⅞ to $24½ before being halted for an order imbalance.

THE AMERICAN SE Market Value Index rose 1.00 to 124.96 in active trading. Volume 3.18m. shares (2.66m.).

WEDNESDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Coastal States Gas	898,200	11⅞	−7¼
Marshall Field	468,200	32	+9½
Campbell Taggart	252,100	22¾	−¼
General Motors	236,200	64¼	+¾
Digital Equipment	176,100	44⅜	+¼
Amer. Tel. and Tel.	172,900	60¾	+⅞
Fannie Mae	138,600	13⅞	—
Kennecott Copper	133,100	20⅞	−¼
Pepsico	133,400	27	—
Continental Oil	153,300	25¾	−¼

OTHER MARKETS

Canada higher

Canadian Stock Markets pushed further ahead yesterday in another good business. The Toronto Composite Index added 5.1 at 1034.8, while Oils and Gas advanced 11.9 to 1,412.2, Golds 9.7 to 1,255.6, and Metals and Minerals 24.0 to 836.6.

Oshawa "A" rose 20 cents to $4.75 on higher third-quarter profits.

PARIS — Disturbed currency markets had an opinion poll showing that the governing majority does not seem to be increasing its potential vote made for further easiness yesterday.

Banks were mixed, but Foods, Engineerings and Stores lost ground. Pechiney were unchanged at Frs.76.60 despite a forecast of sharply higher profits.

BRUSSELS—Local shares mostly weakened further in very nervous trading after the Belgian Bank Rate rise to 9 per cent., with the General Index losing 0.26 to a 1977 low of 91.04.

Intercom fell 35 to B.Frs.1,695 despite forecasting a maintained dividend.

Electrobel retreated 80 to B.Frs.6,500, La Royale Belge 70 to B.Frs.4,970, and Petrofina 40 to B.Frs.3,680.

U.K., Dutch, French and U.S. issues declined, while Germans were little changed and Canadians mixed. Gold Mines rose slightly.

AMSTERDAM—Shares remained in easier mood, *still unsettled* by the dollar's weakness.

Royal Dutch lost Fls.1.20 in mainly lower Dutch Internationals, but Philips rose Fls.0.60 on news of its share in a Saudi telecommunications contract.

Elsewhere, Heineken, down Fls.1.10, relinquished most of Tuesday's gain in active trading ahead of to-day's annual report.

State Loans were unchanged.

OSLO—Industrials were slightly easier, but Banks hardened.

VIENNA—Quietly mixed with a slightly firmer bias. Perlmooser improved 3 points to 266.

COPENHAGEN—Banks, Communications and Shippings were easier, while Industrials closed markedly lower, but Insurances were unchanged on balance.

STOCKHOLM—Market was in good form, with ASEA adding 8 at Kr.99 and Ericsson B 10 at Kr.134.

GERMANY — Stocks declined afresh, led by Motors, following the latest dollar weakness, although losses were later pared by institutional buying at the lower levels.

Among Motors, BMW lost DM4.50 and Volkswagen DM4.60. Daimler, however, recouped a loss of DM3 to finish unaltered at DM320.

Public Authority Bonds had gains ranging to DM0.40 again, with the regulating Authorities selling DM9.2m. nominal of stock (DM7.9m.). Mark Foreign Loans were steady.

SPAIN—Recent apathy in the market continued, with most shares closing without alteration. However, Olarra gained another 4 points to 102 and Cementos Alba added 3 at 106.

MILAN—After the recent depressing performance, shares were inclined to rally following reduced selling pressure and some bear covering.

The general undertone, however, was termed as cautious by some sources pending results of Government proposals, which will be put to unions and political parties later this week.

Pirelli Spa picked up 12 to L1,015 and Fiat 23.5 to L1,886, but Italcementi were 81 lower at L9,420.

SWITZERLAND — Market displayed an easier tendency in moderately active trading.

Bally lost 40 to Sw.Frs.1,625 in Financials, but Insurances had Zurich Insurance 75 firmer at Sw.Frs.11,625.

Domestic Bonds were firmer, while Foreign Bonds were sharply higher in very active dealings.

HONG KONG — The market again closed little changed on a very small turnover, with no real buying or selling interest apparent.

Swire Pacific rose 5 cents to $HK5.95, but other leading stocks were unaltered.

JOHANNESBURG—Gold shares gained ground on higher Bullion indications.

TOKYO — After declining further on the slow progress at the U.S.-Japan trade talks and the yen's appreciation, stock prices rebounded on a revival of buying interest to close with some good gains on the day. The *Market Average* rose 30.44 to 4,808.97, with volume matching Tuesday's 170m. shares.

Nissan Motors were Y17 higher at Y675, Sony Y30 up at Y1,700, and Fuji Photo Film Y15 firmer at Y310.

AUSTRALIA—Markets made a mixed showing but with a firm bias in moderate trading.

Among Industrials, BHP were a bright spot, advancing 12 cents to $A5.60, while Associated Concrete put on 3 cents to $A1.78, but Associated Pulp and Paper declined 3 cents to 91 cents.

Uraniums had Pancontinental 50 cents easier at $A10.50 and Queensland Mines down 15 cents more at $A2.30, but Peko-Wallsend 4 cents higher at $A4.34. Central Norseman lost 20 cents to $A6.70 in Golds.

$ volatile

The U.S. authorities may have intervened to support the dollar in the foreign exchange market yesterday, although the currency's late improvement could also have been the result of buying by New York banks after the earlier sharp fall.

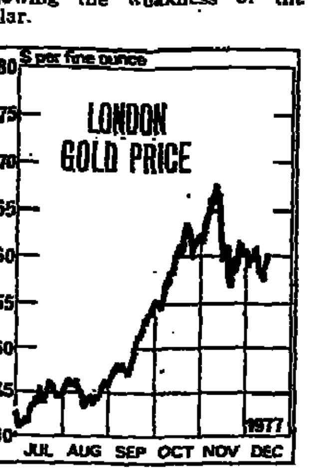
Market sources reported that the market was very erratic and nervous, and if the U.S. Federal Reserve did support the dollar this followed previous intervention by the central banks in Germany and Switzerland. The dollar fell to an all time low of Sw.Frs.2.0350 against the Swiss franc, before closing at Sw.Frs. 2.0765, compared with Sw.Frs. 2.10424 on Tuesday. The German D-mark was at a record level of DM2.1150 in terms of the dollar, and closed at DM2.1350, compared with DM2.1305 previously. The Japanese yen touched a best ever level of Y236.50, before closing at Y237.50, compared with Y240.50 previously.

The dollar's trade-weighted depreciation, as calculated by Morgan Guaranty of New York, widened sharply to 4.34 per cent. from 3.83 per cent.

The pound's trade-weighted index, as calculated by the Bank of England, was unchanged at 63.4, after standing at 63.3 at noon and 63.5 in early trading.

Sterling opened at $1.8485-1.8500 against the dollar, and touched a high point of $1.8505-1.8515. It fell to *$1.8410-1.8420* following the dollar's general improvement in the afternoon, but then rose to around $1.8450. Although the November trade surplus was well received the pound failed to register any sharp reaction, rising slightly to close at $1.8470-1.8480, a rise of 70 points on the day.

Gold rose $2½ to $159¾-160½, following the weakness of the dollar.



GOLD MARKET

	Dec. 14	Dec. 13
Gold Bullion (a fine ounce)		
Close	$159¾-160½	$157¼-158
Opening	$159¼-160	$157¼-158
Morning fix'g	$160.40 (£86.703)	$157.35 (£85.642)
Afternoon fix'g	$160.10 (£86.695)	$157.60 (£85.689)
Gold Coins domestically		
Krugerrand	$166¼-168¼ (£90-91)	$162¾-164¾ (£88½-89½)
New Sov'r'gns	$49¾-51¾ (£27-28)	$49¼-51¼ (£26¾-27¾)
Old Sov'r'gns	$49¾-51¾ (£27-28)	$49¼-51¼ (£26¾-27¾)
Gold Coins (Internat'ly)		
Krugerrand	$164¾-166¾ (£89¼-90¼)	$162¼-164¼ (£88¼-89¼)
N'w Sov'r'gns	$49¾-51¾ (£27-28)	$49¼-51¼ (£26¾-27¾)
Old Sov'r'gns	$49-51 (£26½-27½)	$48¼-50¼ (£26¼-27¼)
$20 Eagles	$249¾-252¾	$247½-250½

FOREIGN EXCHANGES

Dec. 14	Bank Rates %	Market Rates: Day's Spread	Close
New York	6	1.8410-1.8515	1.8470-1.8480
Montreal	7½	2.0221-2.0555	2.0224-2.0250
Amsterdam	4½	4.25-4.30	4.27-4.28
Brussels	9	61.70-62.65	61.80-61.95
Copenhagen	9	10.86-10.95	10.88½-10.90½
Frankfurt	3½	3.92-3.96	3.94-3.95
Lisbon	15	74.00-74.50	74.05-74.20
Madrid	8	150.40-151.20	150.50-150.60
Milan	11½	1,611-1,619	1,612-1,615
Oslo	6	9.58-9.64	9.62¼-9.63¼
Paris‡	9½	8.74-8.89	8.84¼-8.85
Stockholm	8	8.74-8.79	8.76¼-8.77¼
Tokyo	4¼	435-450	436-440
Vienna	5½	26.17-26.37	26.20-26.30
Zurich	1½	3.80-3.87½	3.83-3.84

‡ Rates given are for convertible francs. Financial franc 62.20-62.40.

CURRENCY RATES

	Special Drawing Rights December 14	European Unit of Account December 14
Sterling	0.652177	0.653769
U.S. dollar	1.20555	1.20980
Canadian $	1.32249	1.32829
Austria Sch.	—	18.3646
Belgian franc	40.2382	40.3800
Danish krone	7.08865	7.10414
Deutschemark	2.55902	2.56158
Dutch Guilder	2.77277	2.78135
French franc	5.76735	5.78485
Italian lira	1053.35	1055.88
Japanese yen	289.814	285.978
Norway krone	6.26500	6.25320
Spain peseta	98.2234	98.2961
Swedish krona	5.72094	5.71470
Swiss franc	2.48645	2.49029

OTHER MARKETS

			Notes Rate
Argentina	1843.6-1848.6	Argentina	875-1075
Australia	1.6185-1.6355	Austria	28-29
Brazil	28.90-29.10	Belgium	62-64
Finland	7.61½-7.65½	Brazil	32-36
Greece	64.674-66.288	Canada	2.00½-.02
Hong Kong	8.54-8.57	Denmark	10.85-11.10
Iran	127-135	France	8.75-8.90
Kuwait	0.515-0.525	Germany	3.90-4.05
Luxemb'g	61.70-62.65	Greece	72-77
Malaysia	4.3125-4.3825	Italy	1570-1610
N. Zealand	1.8265-1.8445	Japan	435-455
Saudi Arab.	6.40-6.50	Netherl'nd	425-440
Singapore	4.35-4.37	Norway	9.60-9.80
S. Africa	1.5959-1.6214	Portugal	75-80
U.S.		Spain	151½-155½
Canada		Switz'land	3.60-3.95
CSI		U.S.	1.82½-1.84
U.S. cents	91.30-91.35	Yugoslavia	35-37

Rate given for Argentina free rates.

EXCHANGE CROSS-RATES

Dec. 14	Frankfurt	New York	Paris	Brussels	London	Amst'd'm	Zurich
Frankfurt	—	2.1355-85	44.20-60	6.355-65	3.938-948	92.15-19	—
New York	46.78-82	—	20.83-85	2.978-984	1.8470-8480	42.48-43.10	48.25-30
Paris	[illegible]	4.778-790	—	14.323-367	8.846-66	207.25-8.5	232.25-27
Brussels	15.680-5	33.49-68	6.97-70.1	—	61.60-62.08	14.46-55	16.17-28
London	3.94-95	1.847-80	8.41-84	61.80-95	—	4.284-294	3.83-84
Amst'dam	108.575-625	2.2987-3012	48.050-105	6.840-90	4.2525-2575	—	111.485-535
Zurich	46.72-85	2.068-072	43.07-13	6.1460-1525	3.8105-8151	89.20-28	—

U.S. $ in Toronto U.S. $=109.58-60 Canadian Cents.
Canadian $ in New York=91.30-32 U.S. cents. U.S. $ in Milan 873.60-4.00
Sterling in Milan 1613.50-1615.25. * Rates for Dec. 13

EURO-CURRENCY INTEREST RATES*

Dec. 14	Sterling	Canadian Dollar	U.S. Dollar	Dutch Guilder	Swiss Franc	W. German mark
Short term	7¾-8¼	5¼-5½	6⅛-6¾	5¼-5½	⅛-⅝	3⅜-3⅝
7 days notice	7⅛-7⅝	6⅛-6⅝	6⅛-6¾	6⅛-6⅜	¼-½	3⅜-3⅝
Month	8⅛-7	6⅜-6¾	6⅞-7⅛	6⅛-6⅜	2⅛-2⅜	3⅜-3⅝
Three months	6⅞-7⅛	6⅝-6⅞	7-7¼	6⅝-6¾	2⅜-2⅝	3½-3⅝
Six months	7⅛-8	6⅞-7⅛	7⅜-7⅝	6⅞-7⅛	2⅜-2½	3⅞-4
One year	7¾-8¼	7⅛-7⅜	7⅛-7¾	7⅛-7⅜	2⅝-2⅞	3⅞-4⅛

Euro-French deposit rates: two-day 9½-10½ per cent.; seven-day 10½-11½ per cent.; one-month 14-14½ per cent.; three-month 14½-14⅝ per cent.; six-month 14½-14⅝ per cent.; one-year 14½-14⅝ per cent.

Long-term Eurodollar deposits: two years 7 13/16-7 15/16 per cent.; three years 7⅞-8 per cent.; four years 8-8¼ per cent.; five years 8⅛-8⅜ per cent.

The following nominal rates were quoted for London dollar certificates of deposit: one-month 6.35-6.45 per cent.; three-month 6.95-6.85 per cent.; six-month 7.25-7.15 per cent.; one-year 7.45-7.35 per cent.

* Rates are nominal closing rates.

Short-term rates are call for sterling, U.S. dollars and Canadian dollars; two days' notice for guilders and Swiss francs.

FORWARD RATES

	One month	Three months
New York	0.10 c.pm-par	0.05-0.05 c. dis
Montreal	0.05c.pm-0.07c.dis	par-10 c. dis
Amst'dam	1⅛ c. pm-1⅞ c. dis	[illegible]
Brussels	35-45 c. dis	65-80 c. dis
Cop'nhgn	13-15 ore dis	29½-31½ ore dis
Frankfurt	1⅛-⅜ pf. pm	½-2⅛ pf pm
Lisbon	85-180 c. dis	250-550 c. dis
Madrid	115-195 c. dis	450-550 c. dis
Milan	14-20 lire dis	40-46 lire dis
Oslo	22-24 ore dis	39-41 ore dis
Paris	4¼-5¼ c. dis	14½-15½ c. dis
Stock'lm	13½-15½ ore dis	25-45 ore dis
Vienna	20-30 gro dis	52-62 gro dis
Zurich	1⅛-⅞ c. pm	4⅞-3⅞ c. pm

Six-month forward dollar 0.10c pm-par 12-month 0.30-0.40c pm

Indices

NEW YORK—DOW JONES

	Dec. 14	Dec. 13	Dec. 12	Dec. 9	Dec. 8	Dec. 7	1977 High	1977 Low	Since compilation High	Since compilation Low
Industrial	822.66	815.25	815.75	815.23	806.91	807.43	999.75 (3/1)	800.85 (2/11)	1051.70 (11/1/73)	41.22 (2/7/32)
H'me B'nds*	91.80	91.82	91.96	92.05	92.01	91.82	95.87 (7/9)	90.89 (7/3)	—	—
Transport	215.53	212.98	212.28	212.12	210.80	210.07	246.64 (18/5)	199.60 (25/10)	279.88 (7/2/69)	13.23 (8/7/32)
Utilities	111.02	110.82	111.64	112.47	112.27	112.37	118.67 (22/7)	104.97 (25/2)	163.32 (20/4/69)	10.58 (28/4/42)
Trading vol. 000's	22,110	19,180	18,180	19,210	20,400	21,060	—	—	—	—

* Basis of index changed from August 24.

	Dec. 9	Dec. 2	Nov. 25	Year ago (approx.)
Ind. div. yield %	5.65	5.57	5.40	4.30

STANDARD AND POORS

	Dec. 14	Dec. 13	Dec. 12	Dec. 9	Dec. 8	Dec. 7	1977 High	1977 Low	Since compil'n High	Since compil'n Low
Industrials	105.42	102.85	102.87	102.88	102.87	101.86	118.92 (3/1)	99.88 (2/11)	134.64 (11/1/73)	3.52 (30/6/32)
Composite	94.03	93.56	93.63	93.56	92.96	92.78	107.00 (3/1)	90.71 (2/11)	125.85 (11/1/73)	4.40 (1/6/32)

	Dec. 7	Nov. 30	Nov. 23	Year ago (approx.)
Ind. div. yield %	4.96	4.84	4.75	3.73
Ind. P/E Ratio	8.92	9.35	9.52	11.27
Long Gov. Bond yield	7.86	7.77	8.13	5.34

N.Y.S.E. ALL COMMON

Dec. 14	Dec. 13	Dec. 12	Dec. 9	1977 High	1977 Low
51.90	51.68	51.78	51.72	57.67 (4/1)	48.79 (2/11)

Rises and Falls

	Dec. 14	Dec. 13	Dec. 12
Issues traded	1,992	1,894	1,915
Rises	746	608	684
Falls	648	775	711
Unchanged	488	511	520
New Highs	40	29	31
New Lows	36	29	22

		Dec. 14	Dec. 13	Dec. 12	Dec. 9	1977 High	1977 Low
MONTREAL	Industrial	170.82	168.89	168.05	168.43	186.47 (17/3)	158.02 (25/10)
	Combined	178.47	177.51	176.53	176.88	187.95 (19/1)	165.80 (25/10)
TORONTO	Composite	1034.8	1029.7	1025.7	1027.2	1067.4 (19/7)	961.0 (25/10)
JOHANNESBURG	Gold	195.4	195.2	195.4	197.1	214.7 (17/10)	169.4 (24/5)
	Industrials	209.5	208.7	209.6	209.2	211.2 (14/10)	169.1 (22/4)

	Dec. 14	Previous	1977 High	1977 Low
Australia (†)	453.92	452.78	469.71 (29/6)	418.25 (15/3)
Belgium (‡)	91.04	91.30	99.12 (19/1)	91.04 (14/12)
Denmark (**)	96.14	96.80	107.92 (9/6)	96.54 (22/11)
France (††)	54.1	54.4	68.4 (7/1)	43.5 (10/6)
Germany (‡‡)	779.3	784.1	812.5 (17/11)	712.5 (10/3)
Holland (§§)	83.5	83.7	93.2 (4/5)	76.6 (29/9)
Hong Kong (¶¶)	416.90	418.21	435.17 (11/6)	415.50 (27/7)
Italy (**)	60.60	60.03	73.71 (6/1)	55.03 (13/12)
Japan (a)	358.55	356.68	390.93 (29/9)	350.49 (24/1)
Singapore (b)	263.31	263.85	268.02 (29/9)	242.28 (5/5)
Spain (d)	62.99	63.08	102.37 (15/1)	62.92 (9/12)
Sweden (e)	326.69	316.55	416.68 (22/3)	288.61 (11/7)
Switzerl'd (f)	310.2	310.8	318.8 (14/10)	280.6 (3/3)

Indices and base dates (all base values 100 except NYSE All Common—50 Standards and Poors—10 and Toronto 300-1,000, the last named based on 1975). ‡ Excluding bonds. ‡ 400 Industrials. § 400 Inds., 40 Utilities, 40 Finance and 20 Transport. (†) Sydney All Ord. (‡) Belgian SE 31/12/63. (**) Copenhagen SE 1/1/73. (††) Paris Bourse 1961. (‡‡) Commerzbank Dec., 1953. (§§) Amsterdam Industrial 1970. (¶¶) Hang Seng Bank 31/7/64. (**) Milan 2/1/73. (a) Tokyo New SE 4/1/68. (b) Straits Times 1966. (c) Closed. (d) Madrid SE 31/12/76. (e) Stockholm Industrial 1/1/58. (f) Swiss Bank Corp. 31/12/58. (u) Unavailable.

OVERSEAS SHARE INFORMATION

Investment premium based on $2.60 per £—93½% (93⅛%).

NEW YORK

Stock	Dec. 14	Dec. 13
[illegible] Labs	53½	54⅛
[illegible]graph	14⅜	14⅝
[illegible] Life & Cas	36½	36⅜
[illegible]ducts	26	26
[illegible]	54	54⅛
[illegible] Aluminium	24¾	24½
[illegible]	43¼	43⅝
[illegible] Ludl.	19½	19⅛
[illegible] Power	19¼	19½
[illegible] Chemical	44	43½
[illegible] Stores	21¾	22¼
[illegible] Chalmers	24¾	24½
AMAX	36	35½
Amerada Hess	27⅜	28
Amer. Airlines	9⅛	10⅛
Amer. Brands	43⅝	43½
Amer. Broadcast	40⅜	40⅝
Amer. Can	36¼	36½
Amer. Cyanamid	27½	27⅛
Amer. Elec. Pow.	24⅞	24⅝
Amer. Express	37	37
Amer. Home Prod	28¼	28⅝
Amer. Medical	17½	17⅞
Amer. Motors	4	4
Amer. Nat. Res.	46½	46⅝
Amer. Standard	36⅞	36
Amer. Stores	29⅞	30
Amer. Tel. & Te.	60¼	59⅞
[illegible]	30½	30⅛
[illegible]	17⅜	17⅝
[illegible]	26⅝	26¼
[illegible]	9⅝	9⅜
Anchor Hocking	26⅞	27
Anheuser Busch	19¾	20
Armco Steel	27½	27⅛
[illegible]	20⅝	20¼
[illegible]	9⅛	9⅜
[illegible]	14½	14½
[illegible]	30¼	30⅜
[illegible]	50⅝	50⅝
[illegible]	29⅞	28⅝
[illegible]	9⅞	9¾
[illegible]	16¾	16¾
[illegible] Products	47⅛	47
[illegible] Elect.	27	27
[illegible]	22¾	22⅝
[illegible]	35⅜	35⅜
[illegible]	28	27⅛
[illegible]	37¼	36⅝
[illegible]	24⅛	24⅜
[illegible]	51¼	52¼
[illegible]	15⅛	15⅝
[illegible]	58⅛	58⅛
[illegible]	27	27
[illegible]	21	20¾
[illegible] Decker	16	15⅞
[illegible]	29	28⅝
[illegible]	25⅞	25⅛
[illegible]	30⅝	31½
[illegible]	27⅞	28
[illegible]	8⅞	8⅞
[illegible]	13⅞	13⅝
[illegible]	33⅛	33⅛
[illegible]	15½	15⅝
[illegible]	28½	28
[illegible]	13⅞	14⅛
[illegible]	20⅝	20⅛
[illegible]	23⅛	23⅛
[illegible]	5⅝	5⅛
[illegible]	41⅞	41⅝
[illegible]	69¼	68⅝
[illegible]	34⅞	34⅝
[illegible]	16½	16⅛
[illegible]	12	11⅞
[illegible]	31	30⅞
[illegible]	12	12¼
[illegible]	19¼	20⅛
[illegible]	54	54
[illegible]	50	50¼
[illegible]	43	43
[illegible]	15¼	15
[illegible]	25¼	25
[illegible]	31⅛	32
[illegible]	29	28½
[illegible]	44⅞	45⅛
[illegible]	21⅞	22
[illegible]	32⅛	32¼
[illegible]	46⅝	47
[illegible]	15⅞	15⅞
[illegible]	13⅝	13⅞
[illegible]	1⅛	1⅛
[illegible]	40⅜	39½
[illegible]	22⅞	22⅜
[illegible]	51¼	51⅞
[illegible]	15	12¾
[illegible]	37¼	37⅛
[illegible]	22⅞	23
[illegible]	11¼	11⅛
[illegible]	28⅜	28½
[illegible]	20⅞	20¼
[illegible]	16½	16⅝
[illegible]	37⅛	37½
[illegible]	21⅜	21⅛
[illegible]	28⅞	28⅞
[illegible]	41	41⅛
[illegible]	31	30½
[illegible]	9½	9¼
[illegible]	23⅞	22⅞
[illegible]	14⅞	29⅞
[illegible]	25	25⅜
[illegible]	43¼	43
[illegible]	23¼	25
[illegible]	33¼	33⅝
[illegible]	28½	28
[illegible]	13½	13
[illegible]	27	25¼
[illegible]	45¼	42⅞

Stock	Dec. 14	Dec. 13
Corning Glass	52⅝	53⅝
CPC Int'national	47	47
Crane	27⅛	27½
Crocker Nat.	24¾	24⅞
Crown Zellerbach	33¼	32¾
Cummins Engine	38⅝	39¼
Curtiss Wright	18	17⅞
Dana	26¼	26⅞
Dart Industries	35⅞	35⅛
Deere	25⅛	24⅞
Del Monte	26⅛	26½
Deltona	6	6
Dentsply Inter	18	18⅛
Detroit Edison	15½	15½
Diamond Shamrk	28⅝	28¼
Di Giorgio	11⅞	12
Digital Equip.	44⅜	44⅛
Disney (Walt)	39½	39⅞
Dover Corpn	43½	43
Dow Chemical	27	27
Dresser	43¼	42⅛
Du Pont	119	115¾
Dymo Industries	13⅝	14
Eagle Picher	19⅝	19⅛
East Airlines	6⅛	6⅛
Eastman Kodak	51¼	50⅝
Eaton	37¼	38
E. G. & G.	17	16¾
El Paso Nat. Gas	16⅝	16⅝
Eltra	25	24¾
Emerson Electric	34½	34
Emery Air Fr'ght	42¾	42¼
Emhart	30½	30½
E.M.I.	3⅝	3⅞
Engelhard	23⅞	23⅝
Esmark	29½	29⅝
Ethyl	40	39⅝
Exxon	47	46⅞
Fairchild Camera	23¼	23⅞
Fed. Dept. Stores	38	37½
Firestone Tire	15⅞	15⅛
Fst. Nat. Boston	25¾	25⅛
Flexi Van	19⅛	18⅞
Flintkote	20⅛	20¼
Florida Power	31¼	31⅝
Fluor	37	37
F.M.C.	21⅝	21¼
Ford Motor	44¼	44⅛
Foremost Mck.	16⅞	16⅞
Foxboro	48⅝	47¼
Franklin Mint	6⅛	6¼
Freeport Mineral	19	18⅞
Fruehauf	27⅜	27¾
Fuqua Industries	9	8⅞
G.A.F.	10¼	10½
Gannett	37	36⅞
Gen. Amer. Inv.	10	10⅛
G.A.T.X.	26⅞	27
Gen. Cable	12	12⅛
Gen. Dynamics	47¾	47¼
Gen. Electric	48⅞	48½
Gen. Foods	32½	32⅛
General Mills	29⅛	29⅛
General Motors	64¼	63½
Gen. Pub. Util.	20⅛	21
Gen. Signal	26	25⅝
Gen. Tel. Elect.	31	30⅞
Gen. Tyre	23⅝	23½
Genesco	4⅛	4
Georgia Pacific	28⅝	28
Getty Oil	163	162
Gillette	24⅛	24
Goodrich B.F.	21⅛	21⅛
Goodyear Tire	17⅛	17⅛
Gould	26⅛	26⅜
Grace W. R.	26½	26⅛
Grt. Atlan Pac Tea	8⅛	8⅛
Grt. North Iron	25	24⅝
Greyhound	12¼	12⅜
Gulf & Western	11⅝	12⅛
Gulf Oil	26½	26⅛
Halliburton	62⅛	61⅝
Hanna Mining	36¼	35⅞
Harnischfeger	16⅜	16⅛
Harris Corpn	45¼	44¾
Heinz H.J.	34¼	34⅛
Heublein	25⅞	25¾
Hewlett Packard	71¾	72
Holiday Inns	15⅛	16⅛
Homestake	37⅛	37⅞
Honeywell	45⅛	44¾
Hoover	12	12
Hosp. Corp. Amer.	25⅞	25⅛
Houston Nat. Gas	28⅛	29
Hunt (Ph.A.) Chm	11⅛	11
I.C. Industries	24⅛	24½
INA	41⅝	41⅝
Ingersoll Rand	58⅜	58¼
Inland Steel	36½	36⅝
Insilco	14	14⅛
Intercont Energy	9⅛	9⅛
IBM	266.25	265¼
Intl. Flavours	22⅛	21¾
Intl. Harvester	30½	30⅛
Intl. Min & Chem	41⅛	40⅛
Intl. Multifoods	22	21⅞
Inco	16¼	16¾
Intl. Paper	41⅛	41½
IPCo	[illegible]	[illegible]
Intl. Rectifier	[illegible]	[illegible]
Intl. Tel. & Tel.	31⅛	31⅛
Invest	1⅜	1⅜
Iowa Beef	30⅛	30
IU International	11⅝	11⅞
Jim Walter	29	28⅝

Stock	Dec. 14	Dec. 13
Johns Manville	31½	31¼
Johnson Johnson	74¼	75⅛
Johnson Control	28⅛	28⅜
Joy Manufactur'g	30⅞	31
K. Mart Corp.	27⅝	27⅝
Kaiser Aluminium	29¼	29⅛
Kaiser Industries	4⅝	4½
Kaiser Steel	24½	24½
Kay	5⅛	5⅝
Kennecott	20⅜	20½
Kerr McGee	46¼	46⅝
Kidde Walter	27⅛	26⅞
Kimberley Clark	42⅛	41⅞
Koppers	22⅛	23⅛
Kraft	45½	45¾
Kroger Co.	26¾	26¼
Levi Strauss	28½	28⅞
Libby Ow. Ford	26¼	26⅝
Liggett Group	27⅛	27⅛
Lilly (Eli)	37⅛	37⅛
Litton Indust.	13½	13
Lockheed Aircr'ft	15	15
Lone Star Inds	18⅝	18¼
Long Island Ltd.	18¾	18⅛
Louisiana Land	22¾	23
Lubrizol	32⅝	32¼
Lucky Stores	13⅛	13⅝
L'ken'Y'ngst'wn	6¼	6¼
MacMillan	11⅞	11⅝
Macy R.H.	39	39⅛
Mfrs Hanover	34⅜	34⅜
Mapco	36⅝	36½
Marathon Oil	47½	47⅝
Marine Midland	12⅝	12½
Marshall Field	32	22¾
May Dept. Stores	25	24⅞
MCA	37	36⅛
McDermott	57⅝	58¼
McDonnell Doug	24⅝	24⅛
McGraw Hill	18¾	18⅝
Memorex	31⅝	30⅝
Merck	54¾	54¼
Merrill Lynch	15½	15⅜
MGM	25⅞	25⅝
Minn Ming & Mtg	46⅜	46⅛
Mobil Corpn	62⅞	63
Monsanto	55⅝	55½
Morgan J. P.	43¼	43⅜
Motorola	34¼	34⅛
Murphy Oil	38⅝	37⅝
Nabisco	48⅝	48¼
Nalco Chemical	26½	26
National Can	15⅝	14⅞
Nat. Distillers	20⅛	20⅛
Nat. Service Ind.	14	13⅞
National Steel	32	32
Natomas	37⅝	37⅜
NCR	39⅝	39⅜
Neptune Imp	14⅝	14⅜
New England El.	22¼	22¼
New England Tel	34⅞	35
Niagara Mohawk	15½	15⅝
Niagara Share	10⅛	10⅛
N. L. Industries	17⅝	17⅝
Norfolk & Western	26¾	26¼
North Nat. Gas	39⅝	39½
Nthn States Pwr	28¾	28½
Nthwest Airlines	22¼	21¾
Nthwest Bancorp	24	24¼
Norton Simon	19½	19⅛
Occidental Petrol	22¾	23
Ogilvy Mather	41½	41⅜
Ohio Edison	19½	19⅛
Olin	17¼	16⅛
Overseas Ship	25¾	25
Owens Corning	67½	67⅝
Owens Illinois	23⅞	22⅞
Pacific Gas	23⅞	23¾
Pacific Lighting	21⅛	21⅛
Pac. Pwr. & Lt.	22⅛	22⅛
PanAm World Air	5	5
Parker Hannifin	24½	24⅝
Peabody Int.	23	23⅛
Pen. Pw. & Lt.	22⅛	22⅛
Penney J.C.	35⅝	35¼
Pennwalt	27⅛	27⅝
Peoples Drug	6⅛	6¼
Peoples Gas	35¼	35
Pepsico	27	27
Perkin Elmer	20⅝	20
Pet	34⅝	34⅜
Pfizer	27	26⅝
Phelps Dodge	20	19⅝
Philadelphia Ele.	19¼	19¼
Philip Morris	60⅛	60¼
Phillips Petrol'm	31⅝	31⅝
Pillsbury	40⅝	40⅝
Pitney Bowes	19¼	18¾
Pittston	23⅝	23⅝
Plessey Ltd ADR	17	17
Polaroid	27⅛	27
Potomac Elec.	16⅛	15¾
PPG Industries	26¾	26⅞
Procter Gamble	85¼	85¼
Pub. Serve Elect.	22½	22
Pullman	28⅛	28⅛
Purex	16⅝	16½
Quaker Oats	22½	22¾
Rapid American	5⅝	5½
Raytheon	55⅜	55⅛
RCA	27⅛	27⅛
Republic Steel	22⅝	22⅝

Stock	Dec. 14	Dec. 13
Revlon	44⅝	43⅞
Reynolds Metals	29⅞	29⅝
Reynolds R.J.	59⅝	58⅜
Rich'son Merrell	23¼	23¼
Rockwell Inter	29⅝	29¼
Rohm & Haas	30⅞	30
Royal Dutch	57	57
RTE	14½	14½
Russ Togs	12⅝	12⅝
Ryder System	15⅝	15⅜
Safeway Stores	42½	42⅝
St. Joe Minerals	30⅛	30⅜
St. Regis Paper	30⅝	29¾
Santa Fe Inds	37¾	38
Saul Invest	4⅜	4½
Saxon Inds	5⅜	5¾
Schlitz Brewing	11½	11½
Schlumberger	70⅝	70½
SCM	18⅝	18¼
Scott Paper	15⅞	15⅝
Scovil Mfg	21⅝	21⅞
Scudr Duo Vest	6⅝	6½
Sea Containers	25⅞	26¼
Seagram	21¼	21
Searle (G.D.)	11⅝	11⅞
Sears Roebuck	28½	28¼
SEDCO	39⅝	39½
Shell Oil	33	33
Shell Transport	38½	38¾
Signal	31⅛	31⅛
Signode Corp	37¾	36⅞
Simplicity Pat	11⅞	10⅞
Singer	18⅞	18⅞
Smith Kline	47⅞	46⅞
Solitron	1⅞	2⅛
Southdown	18½	16⅝
Southern Cal. Ed.	26⅞	26¼
Southern Co.	17⅛	17⅛
Sthn. Nat. Res.	31⅛	31½
Southern Pacific	33⅝	33⅜
Southern Railway	52	52
Southland	24½	24½
S'w't Bancshares	26⅛	26¼
Sperry Hutch	17⅝	17¼
Sperry Rand	34¾	34½
Squib	22¼	22¾
Standard Brands	25⅛	25¼
Std. Oil California	39⅛	39¾
Std. Oil Indiana	45⅞	45⅞
Std. Oil Ohio	70¾	71
Stauff Chemical	35¾	34⅝
Sterling Drug	13¼	13⅝
Studebaker	46⅛	46
Sun Co.	43¾	43½
Sundstrand	35	35
Syntex	21⅛	21⅛
Technicolor	10¼	10¼
Tektronix	37⅛	37¾
Teledyne	62⅝	61⅝
Telex	3	3
Tenneco	31⅛	31⅛
Tesoro Petroleum	8	8⅛
Texaco	26⅞	27
Texasgulf	19	18⅝
Texas Instm.	72⅝	71
Texas Oil & Gas	33⅛	32¼
Texas Utilities	21⅝	21⅞
Time Inc.	36⅞	36⅛
Times Mirror	25¼	25¼
Timken	47¼	47¼
Trane	35⅜	35⅝
Transamerica	15	15
Tranaco	23	22¾
Trans Union	34⅝	34⅛
Transway Int'nl	25¼	26⅛
Trans World Air	9	9¼
Travelers	31½	31⅜
Tri Continental	20	19⅝
TRW	33¼	33⅛
20th Century Fox	26⅛	26
UAL	20⅛	20⅛
UARCO	40½	40½
UGI	21¼	21¼
UNC Resources	15⅛	14⅞
Unilever	59⅞	59⅛
Unilever NV	54¾	55¼
Union Bancorp	18⅛	18⅛
Union Carbide	41⅝	40¾
Union Commerce	6⅛	7
Union Oil Calif	51¾	51⅜
Union Pacific	47⅛	46⅞
Uniroyal	8⅛	8⅝
United Brands	7⅛	8¼
United Corp	10½	10⅝
US Bancorp	30¾	30⅛
US Gypsum	22⅝	22¼
US Shoe	23¾	23⅛
US Steel	30	30
U. Technologies	36⅞	37
UV Industries	21	20½
Virginia Elect	14½	14½
Walgreen	16¼	16¼
Warner Commun	32¼	32⅛
Warner Lambert	26	26⅛
Waste Man'ment	18½	18¼
Wells Fargo	26⅞	27⅛
Western Bancorp	32⅝	32⅝
Western N. Amer	26⅝	27
Western Union	17¼	17¼
Westinghouse Elec	17⅛	17⅝
Weyerhaeuser	27	27
Whirlpool	26⅜	26¼
White Con. Ind.	22	22½
William Co.	19½	19⅝
Wisconsin Elect	30⅛	30½

Stock	Dec. 14	Dec. 13
Woolworth	19¼	18⅞
Wyly	[illegible]	[illegible]
Xerox	45⅞	45⅞
Zapata	14⅞	14⅝
Zenith Radio	14⅝	14
Chile 5⅜ 1992	101¼	†101⅛
U.S. Treas 4¾ 1980	†94¼	†94⅛
U.S. Treas 4½ 75/85	†82½	†82½
U.S. 90 Day bills	6.03%	6.05%

CANADA

Stock	Dec. 14	Dec. 13
Abitibi Paper	10	10
Agnico Eagle	5½	5¼
Alcan Aluminium	27⅛	26¾
Algoma Steel	14¼	14⅛
Asbestos	39	39¼
Bank of Montreal	17⅛	17⅛
Bank Nova Scotia	19⅛	19⅝
Basic Resources	7½	7¼
Bell Telephone	54⅛	55¼
Bow Valley Inds.	21⅛	21⅛
BP Canada	17¼	17½
Brascan	15	15
Brinco	†3.25	†3.25
Calgary Power	37¾	37⅝
Canada Cement	8¾	8⅛
Canada NW Land	14	14⅛
Can Imp Bank Com	24¼	24⅞
Canada Indust.	18¼	18⅛
Can. Pacific	18⅛	18⅛
Can. Pacific Inv.	16⅝	19⅜
Can. Super Oil	57⅞	58½
Carling O'Keefe	3.10	3.25
Cassiar Asbestos	8⅝	8⅝
Chieftain	[illegible]	19⅝
Cominco	30⅛	30½
Cons Bathurst	20⅛	20⅛
Consumer Gas	17⅜	17⅜
Coseka Resources	7⅜	7⅝
Costain Rich	†7⅞	8
Deco Resources	9⅛	9⅝
Denison Mines	50½	48
Dome Mines	69	69
Dome Petroleum	51⅝	51⅝
Dominion Bridge	†23¼	†23⅜
Domtar	14⅛	14⅛
Dupont	12½	12½
Falcon'ge Nickel	18¼	17⅜
Ford Motor Can.	80	80¼
Genstar	26⅜	26⅛
Giant Yel'wknife	†9⅛	9
Gulf Oil Canada	28⅛	28⅝
Hawker Sid. Can.	5⅜	5⅜
Hollinger	28¾	29
Home Oil 'A'	45¾	45¾
Hudson Bay Mng	16⅝	16⅝
Hudson Bay	18½	19
Hudson Oil & Gas	47⅞	47⅛
I.A.C.	17⅛	18
Imasco	30⅛	30⅝
Imperial Oil	20⅝	20
Inco	17¼	16½
Indal	8⅛	8⅛
Inland Nat. Gas	11	11
Int. Pipe Line	15	15
Kaiser Resources	14¼	14⅛
Laurn't Fin Corp	6⅞	7
Loblaw Com. 'B'	3.80	†3.80
McMill'n Bloed	16½	16¾
Massey Ferguson	17⅝	17¼
McIntyre Porcup	25¾	25½
Moore Corpn	29⅛	30
Noranda Mines	23½	23⅛
Norcen Energy	17⅝	17⅛
Nthn. Telecom	27⅞	27⅞
Numac Oil & Gas	15	15⅜
Oakwood Pet'm	5⅛	5.60
Pacific Copper M	1.95	2.03
Pacific Petroleum	39	39
Pan. Can. Pet'm	35	34¾
Patino	14	†13¼
Peoples Dept. S.	4.70	4.60
Place Gas & Oil	0.95	0.93
Placer Developm't	22⅛	21⅞
Power Corporat'n	9	9
Price	10½	10½
Quebec Sturgeon	1.00	0.98
Ranger Oil	8	8
Reed Shaw	10	[illegible]
Rio Algom	†25	24½
Royal Bk. of Can.	26¼	26⅝
Royal Trust	16⅛	16
Seagrams	25¼	26⅛
Shell Canada	17¼	16⅛
Sherritt G. Mines	4.90	4.95
[illegible]	[illegible]	25⅛
Simpsons	4.80	4.90
Steel of Canada	24⅛	24
Steep Rock Iron	[illegible]	2.30
Texaco Canada	40⅛	39⅝
Toronto Dom. Bk.	17½	17¼
Trans CanPipeLn	15	15⅛
Trans Mount Oil	8⅛	8⅜
Union Gas	10⅝	10½
Walker Hiram	29⅝	29⅝
West Coast Trans	34⅛	34⅝
Weston (Geo.)	13¾	13⅛

† Assented. ‡ Bid. § Asked. ¶ Traded. ¶ New stock.

NOTES: Overseas prices shown below exclude $ premium. Belgian dividends are after withholding tax.

◆ DM50 denom. unless otherwise stated. ♥ Ptas.500 denom. unless otherwise stated. ♣ Kr.100 denom. unless otherwise stated. ♦ Frs.500 denom. and Bearer shares unless otherwise stated. ¶ Yen 50 denom. unless otherwise stated. $ Price at time of suspension. a Florins. b Schillings. c Cents. d Dividend after pending rights and/or scrip issue. e Per share. f Francs. g Gross div. %. h Assumed dividend after scrip and/or rights issue. k After local taxes. m % tax free. n Francs: including Unilac div. p Nom. q Share split. s Div. and yield exclude special payment. t Indicated div. u Unofficial trading. v Minority holders only. y Merger pending. * Asked. † Bid. § Traded. ‡ Seller. z Assumed. xr Ex rights. xd Ex dividend. xc Ex scrip issue. xa Ex all. Δ Interim since increased.

GERMANY ◆

Dec. 14	Prices Dm.	+ or −	Div. %	Yld. %
AEG	86.1	−0.4	—	—
Allianz Versich	471	−2.5	18	1.9
BMW	222	−4.5	20	4.5
BASF	139.4	−0.3	17	6.1
Bayer	134.4	−1.1	16	6.0
Bayer-Hypo	299	+2	20	3.3
Bayer-Vereinsbk	305	−5	20	3.3
Ciba Int. Ned. wts	210	......	—	—
Commerzbank	218	−1.8	18	4.1
Conti Gummi	66	−0.5	—	—
Daimler Benz	320xr	......	19	3.0
Degussa	254	−1.1	18	3.4
Demag	146	−3	14	4.8
Deutsche Bank	295.8xr	−0.1	20	3.4
Dresdner Bank	241.3	−1.5	20	4.1
Dyckerhoff Zemt	145	......	4	1.4
Gutehoffnung	201.7	−2.0	14	3.5
Hapag Lloyd	110	−8	12	5.4
Harpener	218	−4	9	4.1
Hoechst	130	−1.1	16	6.1
Hoesch	41.1	......	4	4.9
Horten	144.5	+0.5	10	3.5
Kali und Salz	131.5	−1.5	9	3.4
Karstadt	360	−5	20	2.8
Kaufhof	240	−5	20	4.2
Kloeckner Dm 100	89	......	—	—
KHD	166	−1.5	12	3.6
Krupp	100.5	......	—	—
Linde	253.5	−1.5	16	3.4
Low'nbrau Dm 100	1,520	......	20	1.3
Lufthansa	105.1	−1.9	7	3.3
MAN	189	−1	12	3.2
Mannesmann	155.8	−1.2	14	—
Metallges	228	−4	10	2.2
Muenchener Rück	475xr	+5	18	1.9
Neckermann	125	+0.5	—	—
Preussag Dm 100	121	+1	7	2.8
Rhein West Elect.	185.5	−1.2	17	4.6
Schering	286.5	−2.0	20	3.7
Siemens	289.5	−2.7	16	2.8
Sud Zucker	254	......	17	3.3
Thyssen Hutte	113.5	−0.5	15	4.9
Varta	177.5	−1.5	14	3.9
VEBA	111.7	......	12	5.4
Verein & West Bk	311	+4	20	3.2
Volkswagen	200.2	−4.6	10	2.5

TOKYO ¶

Dec. 14	Prices Yen	+ or −	Div. %	Yld. %
Asahi Glass	349	+2	14	2.0
Canon	414	+4	11	1.3
Casio	435	−2	25	2.9
Chinon	320	+5	20	3.1
Dai Nippon Print	490	−2	18	1.8
Fuji Photo	610	+15	15	1.2
Hitachi	167	−1	12	3.6
Honda Motors	472	+9	18	1.9
House Food	853	−2	35	2.1
C. Itoh	224	−2	12	2.7
Ito-Yokado	1,380	......	30	1.1
Jaccs	465	......	13	1.4
J.A.L.	2,410	−20	—	—
Kansai Elect. Pw.	1,070	+20	8	3.7
Komatsu	257	−1	18	3.5
Kubota	264	......	15	2.8
Kyoto Ceramic	2,290	−10	35	0.8
Matsushita Ind.	686	+1	20	1.8
Mitsubishi Bank	279	......	10	1.8
Mitsubishi Heavy	120	......	12	5.0
Mitsubishi Corp.	407	......	13	1.6
Mitsui & Co.	305	......	14	2.3
Mitsukoshi	509	+5	20	2.0
Nippon Denso	983	+34	15	0.8
Nippon Shimpan	468	+4	12	1.3
Nissan Motors	675	+17	16	1.2
Pioneer	1,250	+10	48	1.9
Sanyo Electric	193	−4	12	3.1
Sekisui Prefab	[illegible]	+14	30	1.0
Shiseido	1,120	......	20	1.0
Sony	1,700	+30	40	1.2
Taisho Marine	258	−1	11	2.1
Takeda Chemical	244	......	15	3.1
TDK	1,220	+60	30	1.2
Teijin	107	......	10	4.7
Tokio Marine	510	−15	11	1.1
Tokio Elect. Pow'r	[illegible]	+10	8	3.7
Tokyo Sanyo	419	−3	12	4.7
Tokyo Shibaura	111	−1	10	4.5
Toray	[illegible]	−1	10	4.7
Toyota Motor	773	+10	20	1.3

Source: Nikko Securities, Tokyo.

AUSTRALIA

Dec. 14	Aust. $	+ or −
ACMIL (25 cents)	†0.70	+0.02
Acrow Australia	†0.80	......
Allied Mfg-Trdg. Indus $1	†2.20	+0.03
Ampol Exploration	†1.08	−0.01
Ampol Petroleum	†0.74	−0.01
Assoc. Minerals	†0.95	......
Assoc. Pulp Paper $1	†0.91	−0.05
Assoc. Con. Industries	†1.78	+0.05
Aust. Foundation Invest.	†0.90	−0.05
A.N.I.	†1.37	−0.15
Audimco	†0.59	......
Aust. Oil & Gas	†0.84	......
Blue Metal Ind.	†0.88	−0.05
Bougainville Copper	†0.95	......
Broken Hill Proprietary	†5.60	+0.12
BH South	†0.95	+0.05
Carlton United Brewery	†1.82	−0.01
C. J. Coles	†1.85	......
CSR ($1)	†2.85	−0.01
Cons. Goldfields Aus.	†2.15	......
Container ($1)	†2.05	......
Conzinc Riotinto	†2.28	+0.01
Costain Australia	†1.45	......
Dunlop Rubber (15c)	†1.23	−0.02
ESCOR	†0.90	......
Elder Smith	†2.02	......
E.Z. Industries	†2.10	......
Gen. Property Trust	†1.39	+0.01
Hamersley	†4.32	−0.01
Hooker	†0.69	......
I.C.I. Australia	†2.02	+0.01
Inter-Copper	†0.23	......
Jennings Industries	†1.30	......
Jones (David)	†0.95	−0.05
Metal Exploration	†0.17	......
MIM Holdings	†1.76	+0.04
Myer Emporium	†1.93	−0.06
News	†2.10	−0.01
Nicholas International	†0.55	......
North Broken H'dings (50c)	†1.05	−0.01
Oakbridge	†1.62	−0.05
Oil Search	†0.06	......
Pioneer Concrete	†1.32	−0.01
Reckitt & Colman	†3.28	......
H. C. Sleigh	†0.74	......
Southland Mining	†0.23	......
Tooth (S)	†1.80	+0.02
Waltons	†0.90	......
Western Mining (50 cents)	†1.25	......
Woolworths	†1.57	−0.01

OSLO

Dec. 14	Price Kroner	+ or −	Div. %	Yld. %
Bergen Bank	104.5	−1.5	10	9.6
Borregaard	63.75	+1.25	4	6.3
Creditbank	115.25	−0.25	11	8.7
Kosmos	335	......	20	6.0
Kreditkassen	115	+1	11	9.6
Norsk Hydro Kr.20	197.25	−4.75	12	4.9
Storebrand	92	+1	9	9.8

BRAZIL

Dec. 14	Price Cruz	+ or −	Div. Cruz	Yld. %
Acesita	1.15	+0.02	.12	10.43
Banco Brazil BP	3.69	−0.04	.16	4.38
Belgo Mineira OP	1.70	+0.02	.12	7.06
Docas OP	0.96	......	.14	14.58
Lojas Amer. OP	3.40	......	.20	5.88
Mannesman OP	2.56	−0.04	.18	7.03
Petrobras PP	2.43	+0.01	.10	4.12
Samitri OP	1.25	−0.05	.06	4.80
Souza Cruz OP	3.25	−0.02	.23	7.08
Vale Rio Doce PP	1.64	+0.02	.13	7.93

Vol. Cr.64.5m. Shares 32.1m.
Source: Rio de Janeiro SE.

AMSTERDAM

Dec. 14	Price Fls.	+ or −	Div. %	Yld. %
Ahold (Fl.20)	108.5	−5.0	24	4.4
Akzo (Fl.20)	31.7	+0.3	—	—
Algem Bnk Fl.100	326.5	......	A22.5	6.9
Amev (Fl.10)	74.6	+1.1	A44	5.9
Amro Bank Fl.20	68.8	+0.1	24	6.5
Bijenkorf (F.20)	81.5	−1.8	25	5.6
BokaWest'm Fl.20	123.0	−1.5	70	5.7
Buhrm Tetterode	69.4	−0.1	25	7.2
Elsevier (Fl.20)	254	......	21	1.7
Ennia N.V. Bearer	124.0	+0.5	32.5	4.6
EuroComTst Fl.10	61.0	......	34.8	5.7
Gist Brocades (F.20)	48.4	−0.5	22	4.6
Heineken (Fl.25)	129.0	−1.1	14	2.7
Hoogovens (Fl.20)	25.7	−0.4	10.25	6.9
Hunter D. (Fl.100)	24.6	−0.4	12	4.9
I.H.C. Holland	16.8	−0.1	10	5.9
KLM (Fl.100)	115.2	−3.1	—	—
Int. Muller (Fl.20)	45.7	+0.2	18	7.9
Naarden (Fl.40)	40.7	+0.5	10	2.5
NatNedIns Fl.10	100.4	+0.4	46.2	4.5
NedCredBk (F.20)	[illegible]	......	20	8.0
Ned.MidBk (F150)	173xr	−1.5	20	5.8
Oce (Fl.20)	152	......	A34	4.5
Van Ommeren	141.0	−0.5	8	5.7
Pakhoed (Fl.20)	54.0	−0.7	21	7.8
Philips (Fl.10)	27.3	+0.6	16	5.9
RijnSchVer (Fl.100)	67.0	+0.4	—	—
Robeco (Fl.50)	170.3	−0.6	A26.2	7.4
Rolinco (Fl.50)	118.5	−1.0	5	2.1
Rorento (Fl.50)	127.2	−0.4	14	5.5
Royal Dutch Fl.20	132.0	−1.2	A50	7.6
Slavenburg	238.2	−0.5	13	8.0
Stevin Grp (Fl.20)	137.0	−1.5	27½	4.0
Tokyo Pac Hld $S.	90.0	−2.3	50	0.8
Unilever Fl.20	124.2	−0.5	A4.8	6.7
Viking Res. Int. $1	44.5	−0.2	20	1.1
Westland u. bank	417	+1	32	3.9

COPENHAGEN ♣

Dec. 14	Price Kroner	+ or −	Div. %	Yld. %
Andelsbanken	135½	−¼	10	7.3
Burm'strW.	372½	+½	15	4.0
Danske Bank	125½	−¼	11	8.8
East Asiatic Co.	245	−1¼	12	4.9
Finansbanken	113¼	......	13	11.8
For. Bryggerier	351	......	12	3.3
For. Papir	79½	−¾	8	10.1
Handelsbank	126	−¼	11	8.6
G.N'th'n H. (Kr.80)	242	−7	12	4.5
Nord Kabel	250½	−3½	12	4.8
Otefabrik	104	−1¼	—	—
Privatbank	138½	−½	11	8.2
Provinsbank	138	......	11	8.0
Soph. Berendsen	351½	−¾	12	3.4
Superfos	194½	−4	12	6.2

VIENNA

Dec. 14	Price %	+ or −	Div. %	Yld. %
Creditanstalt	350	......	10	2.7
Perlmooser	266	+3	9	3.4
Selecta	577xr	−1	48	8.3
Semperit	101	......	—	—
Steyr Daimler	176	......	7	3.9
Veit Magnesit	211	−1	14	6.7

BRUSSELS/LUXEMBOURG

Dec. 14	Price Frs.	+ or −	Div. Frs. Net	Yld. %
Arbed	1,745	−5	—	—
Bq. Brx. Lamb	1,454	−6	60	4.2
Bekaert "B"	1,790	+10	112	6.3
C.B.R. Cement	1,190	......	90	7.6
Cockerill	350	−1	—	—
EBES	2,225	−30	177	7.9
Electrobel	6,500	−80	450	6.8
Fabrique Nat.	2,400	−45	170	7.0
G.B. Inno-Bm	1,890	−25	130	6.8
Gevaert	1,192	−8	80	6.7
Hoboken	[illegible]	......	150	6.2
Intercom	1,695	−35	142	8.2
Kredietbank	6,380	−10	265	3.6
La Royale Belge	4,970	−70	605	6.0
Pan Holding	[illegible]	−2	52.25	3.2
Petrofina	3,680	−40	174	4.7
Soc Gen Banque	2,005	−15	189	7.2
Soc Gen Belgique	1,825	−15	130	7.5
Sofina	[illegible]	......	205	7.1
Solvay	[illegible]	+25	A200	7.5
Traction Elect.	2,385	−15	162	6.7
UCB	1,160	−10	140	12.1
Un. Min. (1/10)	724	−2	60	8.3
Vieille Montagne	[illegible]	−40	100	6.6

SWITZERLAND ◆

Dec. 14	Price Frs.	+ or −	Div. %	Yld. %
Aluminium	1,438	−5	6	2.1
Bally Hld	1,625	−40	6	1.9
BBC 'A'	1,665	−10	10	2.9
CibaGeigy Fr.100	1,290	−15	22	1.7
Do. Pt. Certs	985	−5	22	2.2
Do. Reg.	634	−6	22	3.5
Credit Suisse	2,245	−40	16	3.6
Electrowatt	1,600	−15	10	3.1
Fischer (George)	775	−10	5	3.2
Hoffman Pt. Certs	91,250	−750	550	0.6
Do. (Small)	9,125	−50	55	0.6
Interfood B	3,375	......	20	3.0
Jelmoli (Fr.100)	1,370	+15	20	1.5
Nestle (Fr. 100)	3,120	−15	[illegible]	2.5
Do. Reg.	2,255	+10	[illegible]	3.8
Oerlikon-B (F250)	2,200	+5	14	5.6
Pirelli (Fr.100)	256	−1	15	5.9
Sandoz (Fr.250)	4,075	−45	26	1.6
Do. Part Certs	550	−5	26	2.4
Schindler Ct Fl00	315	−2	9	1.4
Sulzer (Ct.F.100)	286	−3	14	3.6
Swissair (F.350)	853	−7	8.57	3.5
Swiss Bank (F.100)	434	−1	10	2.3
Swiss (Re.F.250)	4,875	+135	40	2.0
Union Bank	3,370	−10	20	3.0
Zurich Ins.	11,625	+75	40	1.7

MILAN

Dec. 14	Price Lire	+ or −	Div. Lire	Yld. %
Anic	129	+4	—	—
Bastogi	374.75	−18.75	—	—
Fiat	1,886	+23.5	150	8.0
Do. Priv.	1,483	+29	150	10.1
Finsider	75	−1	—	—
Italcementi	9,420	−81	200	2.1
Italsider	92	[illegible]	—	—
Mediobanca	30,510	+110	1,200	3.9
Montedison	124.5	+3.5	—	—
Olivetti Priv.	755.5	−4.5	—	—
Pirelli & Co.	1,940	−58	110	5.8
Pirelli Spa	1,015	+12	80	7.9
Snia Viscosa	407	−1	—	—

PARIS

Dec. 14	Price Frs.	+ or −	Div. Frs.	Yld. %
Rente 4½%	573.5	+0.6	4½	0.8
Afrique Occid't'le	347.8	−1.3	21.15	6.1
Air Liquide	251.5	−6	16.5	6.6
Aquitaine	339	+2	24	7.1
BIC	550	−3	11.1	2.1
Bouygues	595	−1	31.5	5.1
B.S.N. Gervais	410	−6	37	9.2
Carrefour	1,351	+1	60	4.4
C.G.E.	258.8	+1.5	27.6	10.7
C.I.T. Alcatel	903	−4	58.2	6.5
Cie Bancaire	282	−3.8	12	4.3
Club Mediter.	360.5	−9.5	6.59	1.8
Credit Com Fr'ce	97	+0.4	11.1	11.4
Creusot Loire	59.9	−0.15	12	20.0
Dumez	478	−6	16.05	3.4
Fr. Petroles	130.4	−0.1	5.55	5.0
Gen. Occidentale	180	......	8.25	4.6
Imetal	59.8	−0.6	5.25	8.7
Jacques Borel	110	−0.5	—	—
Lafarge	151.5	+1.5	16.77	12.1
L'Oreal	605	−2	15.5	2.7
Legrand	1,420	−11	31.56	2.3
Maisons Phenix	625	......	38.9	4.8
Michelin "B"	1,160	−3	32.55	2.8
Moet Hennessy	368.5	−7.5	12.6	3.4
Moulinex	110	−6.7	3	1.8
Paribas	169	+1	18.96	13.6
Pechiney	76.6	......	7.5	9.7
Pernod-Ricard	205	−3.2	12	5.9
Peugeot-Citroen	277.2	−0.3	15	5.4
Poclain	119.2	......	—	—
Radio Technique	395	+2	25.5	6.5
Redoute	535	−5	24	4.5
Rhone Poulenc	56.9	−1.1	9	16.4
St. Gobain	121	+0.3	13.65	11.3
Skis Rossignol	1,760	−18	39	2.1
Suez	210.5	+0.4	25.5	11.9
Telemecanique	640	−8	21.75	3.4
Thomson Brandt	129	−2	15.15	11.7
Usinor	16.7	−0.5	—	—

STOCKHOLM

Dec. 14	Price Krone	+ or −	Div. Kr.	Yld. %
AGA Ab (Kr.50)	165	+3	5.5	3.4
Alfa Laval (Kr.50)	149	+7	5	3.3
ASEA (Kr.50)	99	+8	5	5.0
Atlas Copco (Kr.25)	110	+5	6	5.5
Billerud	71.0	−1	4.6	9.6
Bofors	93	+2	4	4.3
Cardo	570	......	12	3.2
Cellulosa	208	−8	10	4.8
Electrolux 'B' (Kr.50)	119	+1	5.5	4.6
Ericsson 'B' (Kr.50)	134	+10	5	4.7
Esselte "B"	215	−8	8	3.7
Fagersta	68	+3	8	11.8
Granges (free)	37	+1.5	—	—
Handelsbanken	361	+1	14.97	5.7
Marabou	100	......	8	8.0
Mo Och Domsjo	52	−3	6.5	12.5
Sandvik A.B.	198	−1	5.05	5.5
S.K.F. 'B' Kr.	59.5	−1	4.5	7.6
Skand Enskilda	126	−2	8	6.5
Tandstik 'B' (Kr.50)	81.5	+5.5	5	6.2
Uddeholm	54	−2	—	—
Volvo (Kr.50)	85	−1	5	11.3

JOHANNESBURG

MINES

Dec. 14	Rand	+ or −
Anglo American Corpn.	5.05 xd	+0.05
East Driefontein	12.00	−0.20
Elsburg	1.85	+0.03
Harmony	6.75	−0.25
Kinross	5.45	−0.10
Kloof	5.08	+0.20
Rustenburg Platinum	1.37	
St. Helena	15.25	−0.25
South Vaal	7.20	+0.10
Gold Fields SA	17.10	−0.10
Union Corporation	4.85	
De Beers Deferred	5.12	−0.15
Blyvooruitzicht	6.10	+0.30
East Rand Pty.	6.50	
Free State Geduld	†21.00	+0.20
President Brand	14.60	
President Steyn	11.25	+0.15
Stilfontein	4.20	+0.10
Welkom	3.35	
West Driefontein	24.25	
Western Holdings	†25.00	−0.50
Western Deep	12.40	+0.30

INDUSTRIALS

Dec. 14	Rand	+ or −
AECI	2.30	
Anglo-Amer. Industrial	13.50	+0.05
Barlow Rand	3.35	−0.01
CNA Investments	1.35	+0.03
Currie Finance	†0.35	
De Beers Industrial	9.50	+0.05
Edgars Consold. Inv.	1.65	−0.05
Edgars Stores	20.00	
Ever Ready SA	†1.50	
Federale Volksbeleggings	1.80	
Greatermans Stores	2.20	−0.02
Guardian Assurance (SA)	1.70	−0.05
Hulets	2.20	
LTA	†1.30	−0.03
McCarthy Rodway	0.60	+0.02
Nedbank	2.40	+0.05
OK Bazaars	6.20	+0.20
Premier Milling	6.50	
Pretoria Cement	3.45	+0.03
Protea Holdings	1.05	
Rand Mines Properties	2.00	
Rembrandt Group	3.32	−0.03
Retco	0.26	
Sage Holdings	†1.35	+0.02
SAPPI	1.05	+0.05
C. G. Smith Sugar	5.40	
Sorec	0.36	
SA Breweries	1.19	+0.01
Tiger Oats and Nat. Millg.	9.65	+0.15
Unisec	1.15	−0.02

Securities Rand Discount 36%

SPAIN ♥

Dec. 14	Per cent.	+ or −
Asland	106	—
Banco Bilbao	256	—
Banco Atlantico (1,000)	223	—
Banco Central	345	+1
Banco Exterior	252	+4
Banco General	221	—
Banco Granada (1,000)	128	—
Banco Hispano	285	—
Banco Ind. Cat. (1,000)	175	—
B. Ind. Mediterraneo	179	—
Banco Santander (250)	310	−2
Banco Urquijo (1,000)	221	—
Banco Vizcaya	211	—
Banco Zaragozano	242	−6
Bankunion	142	—
Banus Andalucia	201	—
Babcock Wilcox	23	—
CIC	138	—
Dragados	225	+2
Inmobanf	126	—
E. I. Aragonesas	52	−2
Espanola Zinc	104	—
Expl. Rio Tinto	102.25	−1.75
Fecsa (1,000)	71.25	−0.75
Fenosa (1,000)	75	—
Gal. Preciados	118	—
Grupo Velazquez (400)	165	—
Hidrola	70	+1.25
Iberduero	82	−0.50
Olarra	102	+4
Papeleras Reunidas	66	—
Petroliber	106	—
Petroleos	186.25	+1.25
Sarrio Papalera	76.50	+1.50
Sniace	37	—
Sogefisa	128	—
Telefonica	84.75	—
Torras Hostench	110	+1
Tubacex	99	−1
Union Elec.	61.25	−0.25

FARMING AND RAW MATERIALS

NZ wool 'floor' price cut

WELLINGTON, Dec. 14.

THE New Zealand Wool Marketing Corporation has lowered its intervention levels to move more wool into the textile industry, its acting chairman, Mr. John Clarke, said here.

The corporation had a responsibility to see that as much wool as possible moved into consumption as quickly as possible, Mr. Clarke said. Intervention levels were designed to maintain prices as high as was practicably consistent with that philosophy, and it would be in the best long-term interests of all growers.

The lowering of intervention levels followed heavy buying by the Government-backed corporation on virtually all types of wool at recent sales.

The action has been criticised by the sheep and cattlemen's association, however, which accused it of breaking faith with farmers by giving preferential treatment to those who had sold early in the season.

Mr. Clarke said the market had been under pressure since April, except in October when prices had moved ahead and the corporation had been able to sell some of its stocks.

Corporation activity at sales indicated that intervention levels had to be lowered so that more wool could flow into the textile pipeline, he added.

Reuter

Move to avert new cocoa market supply 'squeeze'

BY JOHN EDWARDS, COMMODITIES EDITOR

IN A bid to avert a "squeeze" on the spot (December) position on the London cocoa futures market, the International Commodities Clearing House yesterday announced it was raising the minimum deposit rate required from £450 to £2,000 per lot of 10 tonnes.

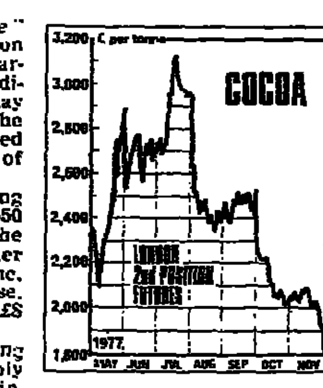
Some heavy trade selling pushed December down to £2,050 a tonne at one stage, but the market bounced back in later trading to close at £2,126 a tonne, £21 lower than Tuesday's close. The March position ended £8 down at £1,945.5 a tonne.

There are mixed views among dealers as to whether the supply squeeze on December will intensify in a similar manner to the similar squeezes earlier this year.

It is pointed out that so far there have been no gradings of cocoa for tendering on the market, and there are less than 10 trading days in which to clear the "open" position.

It is claimed that cocoa supplies coming in have been quickly taken up by manufacturers, who have been mopping up the afloat shipments available.

However, it is also claimed that a sizeable quantity of Camerouns cocoa is due to arrive shortly for grading, and is likely to be put on to the futures market since it is below the quality required by manufacturers. It is thought this will help avoid a more drastic squeeze on December developing and ease the pressure on the market.



There are mixed opinions too about the trend of cocoa prices. Some dealers believe that the scarcity of supplies will last for some time longer because of the extreme lateness of the West African crops and the apparent delays in shipments.

Confusion still surrounds the Ghana crop, with the expected announcement about the latest purchase figures still to materialise from the Ghana Cocoa Marketing Board.

The latest known purchase figures are way behind last year's purchases at the same time, but it is thought Ghana may still have a good size crop even if it is very late. Therefore shipments should start to build up rapidly in the weeks ahead.

In Chicago, meanwhile, higher priced cocoa for 1978 was forecast by Robert Paulson, commodity researcher for the Ward Johnston Company. He said stocks were at a minimal level, and manufacturers were seeking spot supplies daily to keep their plants running.

Mr. Paulson claimed that the spot cocoa futures price in New York at an average of $1.90 a lb this year was almost twice the 1976 level. World usage of cocoa had outstripped production in the last 12 years by about 2 per cent.

Meanwhile in London the move by Cadburys to raise the retail price of its cocoa powder by nearly 50 per cent. is merely seen as adjusting the price of powder to a more realistic level, reflecting the rise in the cost of beans.

Dearer coffee forecast

By Our Commodities Staff

HIGHER PRICES and continuing tight supplies are forecast for the coffee market next year by Mr. Samuel Israel, vice-president of Acli International.

He told a commodities conference in Chicago yesterday that world stocks are "dangerously low," mainly because of the shrinking surplus in Brazil.

Coffee prices could rally early in the year in response to climatic conditions and improved consumer demand, Mr. Israel said. But he warned that stocks could accumulate during the year and the price of green coffee could slip to $1.30-1.50 a lb in the second half. Nearby prices on the New York market are currently around $1.80 a lb.

Warning

On the London futures market yesterday the January price fell £32 to £1,737.5 a tonne despite a warning of possible shortfalls in some Central American crops.

While reporting a sharp cut in his own country's crop estimate on Tuesday, Sr. Richardo Falla Caceres, director of the official El Salvador coffee company, said that all the Central American and Mexican region could be suffering poor harvests because of adverse weather conditions.

But Costa Rica announced yesterday that it does not expect a significant decline in its crop, and Mexico said it was still too early to estimate its coffee output.

CEREALS SEED SUPPLY

Wet harvest still taking its toll

BY CHRISTOPHER PARKES

SUBSTANTIAL tonnages of British grain, set aside from the harvest for use as seed next spring, have not survived storage and no longer come up to the standards required for seed. RHM Agriculture, one of Britain's largest seed distributors, announced yesterday that there might be local shortages of some spring wheat and barley varieties.

Mr. Bram van der Halve, in charge of RHM's seed supply, said that places like Scotland and Yorkshire had little trouble. But further south the wet growing season was still taking its toll. He estimated that between 30 and 40 per cent. of Britain's potential spring barley seed supply was no longer up to scratch.

Worst shortages would probably be among spring barley varieties introduced during the past three years, he said. And if farmers performed up to expectations and drilled 160,000 tonnes of spring barley along with some 8,000 tonnes of spring wheat, there would probably be some shortages of popular types like Aramis.

Mr. T. Sykes, vice-chairman of the National Farmers' Union seeds committee, confirmed that some growers had been having trouble storing their seed crops after the wet, protracted and difficult harvest this autumn. Grain had gone into store in poor condition and deteriated since.

He knew of one depot which had turned away 1,000 tonnes of grain grown for seed in recent weeks. This would be enough to plant 15,000 to 20,000 acres.

However, he added, "the professional seed grower with bins for storage has managed to keep his seed quite satisfactorily. There has been a certain amount of trouble in some places largely due to storing grain in heaps on the barn floor.

"But it is a very small proportion who are having problems."

Mr. Sykes felt there would probably be enough spring barley and wheat seed to cover all national demand, but some of the newer varieties could be in short supply.

Standards

He did not believe the Minister of Agriculture would be applying to the EEC Commission for a temporary relaxation of germination standards. "Considering the terrific brouhaha over the last derogation we would have to be pretty desperate before the seed trade would ask the Ministry for another."

Precise figures are not yet available, but it is reported in the trade that only 3,000 tonnes of "sub-standard" seed were sold on the U.K. market during the derogation period granted for winter cereals seed.

Mr. Sykes commented that because of the very large area sown to winter wheat this autumn, particularly in the eastern counties, reduced demand for spring barley seed might help counter local shortages.

The weather was so good in some parts of Britain this autumn that a lot of unscheduled acreage was sown with winter wheat. When they had finished their planned acreages some farmers just carried on drilling until they were driven out of the fields by the weather or the need to get on with other jobs.

The Ministry of Agriculture said that the statistics they had collected by the beginning of December showed that more than 1m. hectares had already been drilled with winter wheat, and officials expected a further 10 to 15 per cent. on top of that.

The 1m. hectares already registered as sown with winter wheat is roughly equal to the whole of Britain's winter and spring wheat acreage together in the 1976-77 season.

By December last year 930,000 hectares had been sown with winter wheat, compared with 1,140,000 hectares in 1975 and 680,000 in 1974.

Winter wheat is a popular crop because it is such a heavy yielder. Only the most chrononically severe frost kills the young plants, and cold weather is believed to encourage "tillering"—the production of extra ear-bearing shoots.

Farm protest against lamb 'deal' bid

By Our Commodities Staff

SIR HENRY PLUMB president of the National Farmers Union, protested last night that Irish sheep and lamb exporters should not be allowed special access to the French market without similar concessions for the British trade.

Responding to reports that the French were attempting to soothe the Irish government by relaxing their strict import controls on lamb while retaining limitations on U.K. shipments, Sir Henry said:

"Our view is that French national restrictions on trade with the U.K. in sheepmeat should stop at the end of 1977. The continuation after that date of restrictions on U.K. supplies, while special concessions are given to Irish sheepmeat, is totally unacceptable to the sheep industry and the farmers' unions of the U.K.

"We shall be seeking immediate assurances from the Government in this regard."

U.S. may export more wheat

CHICAGO, Dec. 14.

THE U.S. may yet see a better year for wheat exports, Mr. Myron R. Laserson, senior vice-president of Continental Grain's North America grain division, said here.

He told the Seventh International Commodities Conference that wheat shipments abroad could total between 1,100m. and 1,200m. bushels, slightly higher than present Government figures.

If this level is to be reached, shipments in the December-May months will have to be over 600m. bushels, 50 per cent. above the same period a year ago.

His forecast is based partly on the fact that while most of the world will deplete wheat stocks in the 1977-78 crop year, U.S. wheat stocks should be little changed.

He said Southern Hemisphere crops now being harvested are well below average. "We will not feel competition from Australia or Argentina until next fall. Unlike last winter, when Argentine wheat was sold aggressively as the cheapest in the world."

Mr. Laserson expects world demand for wheat to remain strong, at least until there is assurance that 1978 Northern Hemisphere crops are adequate.

He believes the traditional wheat importing countries—excluding India, China and the USSR—collectively will import more wheat than last year. Substantial increases will be recorded for Mexico, Brazil, Portugal, Iran, Iraq, Bangladesh and all the African countries north of the Sahara.

"The Peoples Republic of China may emerge as the world's largest wheat importer, generating perhaps as much as one-eighth of the global wheat trade," he said.

Mr. Laserson questioned the ultimate requirements of the Soviet Union. "Major uncertainties are how much U.S. wheat the USSR will take and how much they will take prior to June 1, 1978."

Unless exports meet his estimate, the U.S. will, for the fourth consecutive year, add to its carryover stocks. "In any event, the U.S. carryover will remain large . . . large enough to be characterised as a surplus."

In Moscow, Mr. Dale Hathaway, Assistant U.S. Agriculture Secretary, said the Soviet Union has indicated that it will buy between 8m. and 15m. tonnes of grain from the U.S. during the 12 months to October 1978.

The signs are Soviet purchases will be closer to the upper 15m. tonne limit which the U.S. has set during the second year of the two countries' five-year grain agreement, he said.

Mr. Hathaway was speaking to newsmen after talks on Soviet grain needs with Mr. Boris Gordeyev, Soviet Deputy Foreign Trade Minister.

The USSR has already bought 6.3m. tonnes of grain since last October. Of this total about two-thirds was maize and one-third wheat.

Soviet officials have agreed to provide the U.S. with monthly details of purchases and shipment rates in addition to existing arrangements.

Reuter

Air India loses monopoly on carrying silver

By Our Own Correspondent

CALCUTTA, Dec. 14.

AIR INDIA has lost its monopoly for air transport of India's silver exports because of alleged inefficiency.

The State Trading Corporation has announced that exporters may now send consignments of silver on any international airlines. The corporation is evidently anxious that exporters should be enabled to increase shipments to take advantage of any rise in the international price. They had previously been handicapped by Air India's failure to provide an efficient service.

Exports of Indian silver to centres such as New York, London, Paris and Zurich reached a record 1,555 tonnes in 1976-77 from 655 tonnes in 1974-75 when India lifted its ban on exports.

But because of declining prices at the end of 1976 India reduced the export quota for the current fiscal year (1977/78)

'Fantastic' rise in food exports

BY OUR COMMODITIES STAFF

BRITISH food exporters have built up a booming trade with the rest of the EEC. In 1972, just before Britain joined the Common Market, exports of processed foodstuffs were worth £23m.

In the first nine months of this year sales to the Nine were valued at £209m.

"This is a fantastic increase, even allowing for the effects of inflation," Mr. Michael Vernon, president of the British Food Export Council, said in London yesterday.

The volume of exports worldwide increased 9.7 per cent. in the same period, with the value once again being inflated by the sharp rises in the cost of commodities like cocoa. The increase in sales volume to the rest of the EEC was only 2 per cent., however, limited mainly by a sharp fall in sales of milk powder.

"However, if one ignores milk powder, the sales of which are governed largely by the EEC agricultural policy, I am able to report a very satisfactory volume increase of 22.26 per cent. compared with 11.23 per cent. in the world as a whole using the same criteria," Mr. Vernon added.

Major gains were made in markets for tea and chocolate confectionery, where global sales volume rose 43 per cent. and 38 per cent. respectively.

The quantity of fruit and vegetable juices exported rose 52 per cent., and because of big sales increases in Saudi Arabia and Nigeria, soft drinks exports jumped 88 per cent.

"Europe, including the EEC, now accounts for more than 52 per cent. of our food exports," Mr. Vernon said. "It is to be hoped that we can continue to build on this export growth."

Congratulating the food industry on its export successes, Mr. Edmund Dell, Secretary of State for Trade, reminded the audience at the Council's annual lunch that it was also important to keep up supplies to the home market.

"The progress of our food balance of payments is of particular importance to the U.K. Last year, imports cost us £4 billion — more than a seventh of our total import bill," he said.

COMMODITY MARKET REPORTS AND PRICES

BASE METALS

COPPER—Firmer on the London Metal Exchange. Forward metal opened lower at £698, reflecting the overnight performance on Comex and the initial strength of sterling. Following the sharply higher gold fixing, however, the price moved ahead quickly to £700. On the morning kerb it rose afresh to end at £705. The dull opening on Comex in the afternoon reversed this trend, however, and forward material gave ground to close at £701 on the late kerb. Turnover 12,775 tonnes.

Amalgamated Metal Trading reported that in the morning cash wirebars traded at £689.5, three months £700, £699.5, £701, 2, 3.5, 4, 4.5, 4. Cathodes, cash £680.5, 77, three months £693, 92, 91.5, 92. Kerb: Wirebars, three months £704, £705, £704.5. Afternoon: Wirebars, cash £687.5, three months £705, 4.5, 4, 3.5, 3, 2.5. Cathodes, three months £693.5, 93. Kerb: Wirebars, cash £702, 1.5, 1, 1.5.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	689-.5	..	687.8	-5.5
3 months	704-5	—.5	703.5-3	-4
Settl'm'nt	689.5	.....	—	
Cathodes				
Cash	677-.5	—.75	676.5-7	+3.75
3 months	692-.5	—1.25	691-2	—4
Settl'm'nt	677.5	—1		
U.S. Smt.	—	.....	60-62.5	.....

TIN—Easier. Forward standard metal opened lower at £6,790, reflecting the further fall in the Penang price and the improvement in sterling. It then eased momentarily to £6,770 but sentiment changed as covering against overnight U.S. demand and East European interest took the price up to the day's high of £6,860. In the afternoon however, further offerings of nearby metal narrowed the backwardation to £240 and nervous bull liquidation coupled with chartist selling caused forward material to fall to £6,800 on the late kerb. Turnover 1,080 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grade	£	£	£	£
Cash	7145-50	-37.5	7050-80	—35
3 months	6870-5	—55	6820-30	—40
Settlem't.	7150	—40	—	.....
Standard				
Cash	7140-5	-42.5	7050-80	—25
3 months	6845-50	—55	6810-15	-12.5
Settlem't.	7145	—45	—	.....
Straits E.	$1780	—20	—	.....
New York	—	.....	—	.....

Morning: Standard, cash £7,150, 40, 50, three months £6,820, 30, 50, 40, 55, 30. Kerb: Standard, three months £6,845. Afternoon: Standard, cash £7,120, three months £6,850, 40, 35, 25, 20, 15. Kerb: Standard, three months £6,790, 85, 80, 85, 90, 95, £6,800, 10.

LEAD — Marginally easier. Prices opened on a steady note with forward metal at £352 mainly influenced by the initial firmness of copper. It then eased to £350.5, as freer offerings and lending of cash metal became evident, before rising afresh to £351.5 on the morning kerb. In the afternoon the price dipped to £377 on the late kerb, as sterling moved ahead, before closing at £378. Turnover 10,525 tonnes.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	378-.5	—3.5	378-.25	—.375
3 months	380-.5	—3	380.5-.75	—.625
Settl'm'nt	378.5	—3.5	—	.....
N.Y. Spot	—	.....	*32-33	.....

Morning: Cash £378.5, 79, 78.5, three months £380, 81.5, 81, 82, 81.5, 81.25, 81, 80.5. Kerb: Three months £381, 81.25. Afternoon: Cash £378, three months £380, 81, 80.5. Kerb: Three months £377, 79, 78, 77.5, 77, 77.5, 78.

ZINC—Quietly steady with values moving within narrow limits. Forward metal opened at £299.5 and hardened to £301.5 on the morning kerb in sympathy with copper, prior to easing a shade in the afternoon to close at £301 on the late kerb. Turnover 3,930 tonnes.

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	294.75-5.25	—3.25	295.25-.75	—2.25
3 months	301-.25	—2.87	301.75-2	—2.5
S'ment	295.25	—3.25	—	.....
Prm. West	—	.....	30.5-31	.....

Morning: Cash £294.5, 94.75, 95, three months £299.5, £300, £300.5, 1. Kerb: Three months £301.5. Afternoon: Three months £301.5, 01, 01.5, 02, 01.5, 02, 01.75. Kerb: Three months £301.5, 01.

*Cents per pound. †On previous unofficial close. ‡$M per picul.

SILVER

Silver was fixed 1.3p an ounce higher for spot delivery in the London bullion market yesterday, at 254.95p. U.S. cent equivalents of the fixing levels were: Spot 471.9c, up 3.0c; three-month 479.8c, up 3.2c; six-month 486.9c, up 3.3c; and 12-month 502c, up 3.4c. The metal opened at 253.5-254.5p (249-477c) and closed at 254.2-255.2p (479-477c).

SILVER per troy oz.	Bullion fixing pricing	+ or —	L.M.E. close	+ or —
Spot	254.95p	+ 1.3	253.65p	—0.1
3 months	258.95p	+ 1.2	257.65p	—0.05
6 months	264.1p	+ 1.2	—	.....
12 months	274.6p	+ 1.7	—	.....

LME—Turnover 156 (205) lots of 10,000 ounces. Morning: Three months 259.2, 59, 59.7. Kerbs: Three months 258.4. Afternoon: Three months 258.7, 58, 58.3, 58, 57.8, 57.7. Kerbs: Three months 258.

GRAINS

LONDON FUTURES (GAFTA)—Trading has been generally featureless with most of the trading taking place in points either side of unchanged and as the close the market closed slightly easier. New crops after initial strength closed easier on a lack of bids. Acli reports.

WHEAT			BARLEY	
Month	Yesterday's close	+ or —	Yesterday's close	+ or —
Jan.	79.90	—0.25	70.90	—0.10
Mar.	81.70	—0.10	73.15	—0.10
May	83.55	—	75.20	—0.10
Sept.	81.70	—0.50	78.05	—0.05
Nov.	83.75	—0.20	80.50	—0.20

Business done: **Wheat**—Jan. 80.20-80.05, March 81.80-81.70, May 83.70-83.50, Sept. 81.70-81.70, Nov. 84.00-83.75. Sales: 80. **Barley**—Jan. 70.95-70.90, March 73.20-73.05, May 75.25-75.10, Sept. 78.05-78.05, Nov. 80.55-80.60. Sales: 120.

IMPORTED—Wheat: CWRS No. 1, 13½ per cent., Dec. £88.75 Tilbury. U.S. Dark Northern Spring No. 2, 14 per cent., Dec. £79.25, Jan. £81.00 transhipment East Coast. Rest all unquoted.

Maize: U.S. French Dec. £94.00 transhipment East Coast.

HGCA—Location ex-farm spot prices. **Feed wheat:** Hertford £79.40.

The U.K. monetary coefficient for the week beginning December 19 is expected to increase to 1.316.

EEC DAILY IMPORT LEVIES and premiums effective for Dec. 15 in order current levy plus Jan., Feb. and March premiums, with previous in brackets, all in units of account per tonne: **Common Wheat**—85.51, nil, nil, nil (85.81, nil, nil, nil); **Durum Wheat**—112.71, nil, nil, nil (112.71, nil, nil, nil); **Rye**—67.84, nil, nil, nil (66.03, nil, nil, nil); **Barley**—72.85, nil, nil, nil (72.21, nil, nil, nil); **Oats**—62.23, nil, nil, nil (60.73, nil, nil, nil); **Maize** (other than hybrid for seeding) 71.25, nil, nil, nil (71.98, nil, nil, nil); **Buckwheat**—All nil (same); **Millet**—54.59, nil, nil, nil (55.89, nil, nil, nil); **Grain Sorghum**—72.80, nil, nil, nil (72.19, nil, nil, nil); **Wheat or mixed wheat and rye flour**—131.43 (131.48); **Rye flour** 105.19 (105.75).

COCOA

After early nervousness the market climbed back slowly to close slightly lower on balance, reports Gill and Duffus.

COCOA	Yesterday's Close	+ or —	Business Done
No. 3 Cntrct			
December	2126.0-29.0	—21.0	2131.0-2050
March	1945.0-46.0	—8.0	1950.0-25.0
May	1915.0-17.0	—1.5	1919.0-08.0
July	1770.0-72.0	+8.25	1770.0-55.0
Sept.	1731.0-32.0	—5.0	1735.0-22.0
Dec.	1685.0-90.0	—6.0	1685.0-80.0
March	1650.0-55.0	+6.2	1650.0

Sales: 3,170 (4,349) lots of 10 tonnes.

International Cocoa Agreement (U.S. cents per pound). Daily price for Dec. 14: 145.52 (145.12). Indicator prices Dec. 14: 15-day average 149.01 (150.66); 22-day average 148.77 (148.31).

COFFEE

A disappointedly quiet day saw London terminal open at the highs but then slip back to around the £1,750 level basis March and thereafter trade in a £20 range for the rest of the day, reports Drexel Burnham Lambert. Values were at the lows on the close about £30-£40 lower on the day. There was no fresh news on the physical scene.

COFFEE	Yesterday's Close	+ or —	Business Done
	£ per tonne		
January	1878-79	—28.0	1920-1875
March	1735-40	—52.0	1780-35
May	1649-55	—38.5	1695-49
July	1585-1600	—25.0	1625-1600
September	1565-75	—25.0	1600-1575
November	1520-40	—32.5	
January	1500-30	—12.5	

Sales: 2,142 (2,916) lots of 5 tonnes.

ICO Indicator prices for Dec. 13 (U.S. cents per pound): Colombian Mild Arabicas 211.50 (same); unwashed Arabicas 213.50 (215.00); other Mild Arabicas 205.50 (same); Robustas 170.00 (169.50). Daily average 197.75 (197.65).

JUTE

DUNDEE—Quiet. Prices c. and f. U.K. for early shipment: BWB £243, BWC £235, BWD £225. Tossa BTB £247, BTC £238, BTD £225. Calcutta goods steady. Quotations c. and f. U.K. for December shipment: 10-oz 40-inch £10.97; 7½-oz £7.96 per 100 yards. January £10.77, £7.88. February-March £10.77, £7.91; "B" twill £29.40 and £29.49 for the respective shipment periods. Yarn and cloth steady.

RUBBER

ABOUT UNCHANGED opening on the London physical market. Little interest throughout the day, closing easier. Lewis and Peat reported the Malaysian godown price was 198 (same) cents a kilo (buyer January).

No. 1 R.S.S.	Yesterday's close	Previous close	Business done
Jan.	48.25-48.50	49.50-49.70	—
Feb.	49.00-49.25	50.00-50.20	49.00
Jan-Mr.	49.00-49.05	50.20-50.40	49.50-49.00
Apr-Jne	50.20-50.25	51.50-51.55	51.50-50.00
Jly-Sep.	51.80-51.85	53.00-53.10	52.50-51.50
Oct-Dec	54.40-54.50	54.65-54.80	54.00-53.50
Jan-Mr.	55.05-55.10	56.30-56.35	56.30-55.05
Apr-Jne	56.85-56.90	58.05-58.10	58.05
Jly-Sep.	58.80-58.85	59.80-59.90	59.20-56.55

Sales: 695 (313) lots of 15 tonnes.

Physical closing prices (buyers) were: Spot 48.75p (49.0); Dec. 49p (49.75); Jan. 49p (50.0).

SOYABEAN MEAL

After a steady opening, prices fluctuated within a narrow trading range in moderate turnover. The premium on spot December, caused by short-squeeze, widened further over Feb./April position, reports SNW Commodities.

	Yesterday's Close	+ or —	Business Done
	£ per tonne		
December	126.50-28.0	+ 1.85	128.50-25.00
February	112.00-12.2	+ 0.65	113.00-11.50
April	111.60-12.0	+ 0.20	112.60-11.50
June	111.90-12.1	+ 0.15	112.60-11.70
August	112.00-13.2	— 0.15	
October	112.50-14.5	— 0.35	
December	113.80-15.0	— 0.20	

Sales: 137 (145) lots of 100 tonnes.

SUGAR

LONDON DAILY PRICE (raw sugar) £108 (£110) a tonne c.i.f. for Dec. shipment. White sugar daily price was fixed at £113 (same).

The market was hesitant during the morning and prices drifted. Later, however, sentiment was encouraged by the level of restitution granted by the EEC and short-covering developed. Gains of some 100 points were recorded by the close when quotations were around the best levels of the day, reports C. Czarnikow.

Sugar Pref. Comm. Con.	Yesterday's Close	Previous Close	Business Done
	£ per tonne		
March	125.15-25.20	124.80-24.90	125.25-23.60
May	131.00-31.20	130.40-30.45	131.60-29.00
Aug.	134.00-34.05	133.10-33.20	134.00-32.00
Oct.	136.50-37.00	136.60-36.70	137.00-35.35
Dec.	138.50-38.56	139.10-38.25	138.75-37.75
March	142.25-43.00	142.75-42.85	142.25-42.00
May	144.50-45.50	144.00-46.00	144.75-44.00

Sales: 3,601 (4,905) lots of 50 tonnes.

Tate and Lyle ex-refinery price for granulated basis white sugar was £246.40 (same) a ton for home trade and £174 (175) for export.

Following import levies for white and raw sugar effective to-day in units of account per 100 kilos (previous in brackets). White denatured and non-denatured 24.09 (same). Raw, denatured and non-denatured 20.10 (19.96).

WOOL FUTURES

LONDON—Dull and featureless, reports Bache.

(Pence per kilo)

Australian Greasy Wool	Yesterday's Close	+ or —	Business Done
December	240.0-42.0	—1.0	
March	255.0-58.0	.....	
May	256.0-58.0	.....	
July	257.0-58.0	—0.5	
October	259.0-41.0	.....	
December	241.0-43.0	—1.0	
March	243.0-46.0	.....	
May	244.0-48.0	.....	

Sales: Nil (nil) lots of 1,500 kilos.

SYDNEY GREASY—Close (in order buyer, seller, business, sales): Micron Contract—Dec. 339.5-339.3, 340.0-337.5, 91; March 344.0-344.5, 345.0-343.5, 59; May 347.5-348.0, 349.0-347.6, 71; July 353.0-352.5, 354.0-353.5, 38; Oct. 355.5-356.5, 357.5-356.5, 12; Dec. 358.9-359.0, 360.0-358.0, 14; March 363.0-363.5, 363.5-363.5, 6; May 365.5-366.0, 366.0-365.5, 4. Total sales 298.

MEAT/VEGETABLES

MEAT COMMISSION—Average fatstock prices at representative markets on Dec. 14: GB cattle 60.31p per kg. l.w. (+4.56). U.K. sheep 126.4p per kg. est. d.c.w. (+1.8). GB pigs 60.5p per kg. l.w. (+0.5). **England and Wales:** Cattle numbers up 0.9 per cent., average price 61.40p (+3.54); Sheep up 2.2 per cent., 127.2p (+1.2); Pigs up 47.1 per cent., 60.5p (+0.5). **Scotland:** Cattle up 8.9 per cent., 56.95p (+1.57); Sheep down 34.1 per cent., 122.1p (+3.8); Pigs up 15.0 per cent., 53.0p (-3.0).

Forecast rates of U.K. monetary compensatory amounts for week commencing Dec. 19 (previous week's figures in brackets)—Fresh or chilled beef carcases: 33.74p per kg. (33.67); green bacon sides: £255.60 per tonne (£247.80).

SMITHFIELD (prices in pence per pound)—**Beef:** Scottish killed sides 44.0 to 48.0, best quality 49.0; Ulster hindquarters 58.0 to 61.0, forequarters 28.0 to 32.0; Eire hindquarters 59.0 to 60.0, forequarters 28.0 to 32.0.

Veal: Dutch hinds and ends 94.0 to 96.0.

Lamb: English small 48.0 to 54.0, medium 44.0 to 49.0, heavy 38.0 to 43.0; Scottish medium 44.0 to 49.0, heavy 38.0 to 45.0. Imported frozen: NZ PL 47.0 to 47.5, PM 44.0 to 48.5, PH 41.5 to 43.0, YLs 46.0 to 46.5.

Pork: English, under 100 lbs 35.0 to 43.0, 100-120 lbs 38.0 to 42.0, 120-160 lbs 36.0 to 41.0, 160-180 lbs 34.0 to 39.0.

Partridges: Young (each) 175.0 to 200.0, old 90.0.

Pheasants: Best (per brace) 360.0 to 350.0.

COVENT GARDEN (prices in sterling per package except where otherwise stated)—**Imported produce: Oranges**—Spania: Navelinas 3.90-4.00, Navels 4.00-4.40; Moroccan: 4.20-4.60; S. African: 56/138's 2.00-3.00. **Satsumas**—Spania: 3.20-3.40. **Clementines**—Cyprus: 3.80-4.20; Spania: 3.60-4.20; Moroccan: 3.90-4.20. **Lemons**—Italian: 100/120 4.40-4.60; Cyprus: 3.20-3.75; S. African: 3.50-4.60. **Grapefruit**—Cyprus: 15 kilos 2.40-2.60, 20 kilos 3.00-3.40; Jaffa: 3.20-3.60; Turkish: 2.30. **Apples**—French: 40-lb Granny Smith 7.80-8.40, Golden Delicious 3.80-6.00; 20-lb 72/110 Granny Smith 3.30-4.10; Golden Delicious 2.80-3.30, Stark Crimson 3.60, jumble pack per pound Golden Delicious 0.11-0.13, Granny Smith 0.11-0.15; Italian: Per pound Russets 0.13, Red Delicious 0.14, Golden Delicious 0.11-0.13; Danish: Per pound McIntosh 0.13, Cox's Orange Pippin 0.16-0.21; Hungarian: Approx. 45-lb Starking 6.50; U.S.: Red Delicious 8.00. **Peaches**—S. African: Per tray 3.00-3.50. **Grapes**—Spanish: Napoleon 11-lb 5.00, Almeria 2.50-3.20. **Bananas**—Jamaican: Per pound 0.14. **Melons**—Spanish: Green 3.50-4.40; Senegal: 4.00; Israeli: 4.00-4.30. **Tomatoes**—Per 6 kilos, Canary: 3.80-4.40; Spanish Mainland: 3.80-4.40. **Capsicums**—Canary: Per pound 0.28. **Cucumbers**—Canary: 2.00-2.20. **Avocados**—Israeli: 2.80-3.00. **Dates**—Iraqi: 52 x 8-oz 0.17 each; Algerian: 8-oz boxes 0.33-0.38; Californian: 8-oz tubs 0.26-0.27. **Figs**—Turkish: 48 x 8-oz 0.13 per packet. **Chestnuts**—Italian: 10 kilos 4.80-5.00; Portuguese: 20 kilos 5.00-6.00; Spanish: 5 kilos 3.00-3.50. **Cranberries**—U.S. Per box 18 x 6-oz 3.24. **Onions**—Spanish: 2.30-2.70; Polish: 1.70. Picklers 55-lb 3.30. **Brazils**—No. 1 LWM per pound 0.45. Tocantins 0.40. **Filberts**—Naples: Per pound 0.33-0.34. **Walnuts**—Chinese: Per pound 0.29-0.30. **Almonds**—Ibiza: Per pound 0.26. **Cauliflowers**—French: 24's 4.00; Jersey: 4.00. **Celery**—Spanish: 24/36's 2.20-2.40. **Potatoes**—Italian: 20-lb 2.70; Canary: 28-lb X King Edwards 3.00, 55-lb XX King Edwards 5.50.

English produce: Potatoes—Per 56-lb, Whites/Reds 1.00-1.30. **Lettuce**—Per 12, indoor 1.10. **Cabbage**—Per ½-bag Primo 0.60. **Cauliflowers**—Per 12, Kent 2.00-2.20. **Beetroots**—Per 28-lb 0.60-0.70. **Carrots**—Per bag 28-lb 0.50-0.80. **Onions**—Per 56-lb 1.00-1.40. **Celery**—Prepack 18/22's 2.50, naked 10/12's 0.80-1.20. **Swedes**—Per bag, Devon 0.40-0.50. **Apples**—Per pound, Laxton 0.11-0.12, Derby 0.10, Russets 0.11-0.14, Cox's 0.16-0.24, Bramleys 0.10-0.15. **Pears**—Per pound Conference 0.10-0.16, Comice 0.15-0.18. **Sprouts**—Per pound 0.05-0.06. **Parsnips**—Per 28-lb 0.70-0.80. **Turnips**—Per 28-lb 0.60-0.70. **Cob nuts**—Per pound 0.20. **Rhubarb**—Per pound 0.22-0.25.

VEGETABLE OILS

LONDON PALM OIL—Close: Jan. 285.00-95.00, Feb. 282.00-95.00, March 280.00-85.00, April 280.00-95.00, May 280.00-95.00, June 280.00-85.00, July 250.00-85.00, Aug. 282.00-... Sales: Nil.

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LONDON SOYABEAN OIL—Close: Dec. 325-310, Jan. 313-305, Feb. 305-296, March 298-292, April 290-285, May 290-285, June 290-285, July 290-285, Aug. 290-285. Sales: 3 lots.

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HIDES—Leeds. Generally firmer. Ox 31-35½ kilos 41.5p per kilo. 26-30½ kilos 46p. 22-25½ kilos 53p. Light cows 48p per kilo. Calf, under 4 kilos withdrawn 155p per kilo.

PRICE CHANGES

Prices per tonne unless otherwise stated.

	Dec. 14 1977	+ or —	Month ago
Metals			
Aluminium	£680		£680
Free Market (cis)	$960-70	+ 10.0	$930-60
Copper cash W. Bars	£687.5	+ 3.5	£642-75
3 months do. do.	£702.75	+ 4.0	£654-75
Cash Cathode	£676.75	+ 3.75	£633.5
3 months do. do.	£691.5	+ 4.0	£646.5
Gold Troy oz.	$160.125	+ 2.5	$161.375
Lead Cash	£378.125	—.875	£342.25
3 months	£380.625	—.625	£347.25
Nickel			
Free Market (cif)	$1.76-2.0		$1.76-2.0
Platinum troy oz.	£88.5		£88.5
Free Market	£95.05	—0.05	£93
Quicksilver (76lb)	$125.50		$122-28
Silver Troy oz.	254.95p	+ 1.3	254.7p
3 months	258.95p	+ 1.2	267.5p
Tin Cash	£7,065	—35.0	£6,810
3 months	£6,812.5	—12.5	£6,698
Wolfram 22.04lb. cif	$158-76		$172-78
Zinc cash	£295.5	+ 2.25	£287.5
3 months	£301.875	+ 2.5	£290.575
Producers	$680		$600/70
Oils			
Coconut (Phil)	$567.5u		$570
Groundnut	$587		$547
Linseed Crude (r)	$268		$282
Palm Malayan	$497w	—8.0	
Seeds			
Copra Philip	$400o		$352.5
Soyabean (U.S.)	$246s	+ 2.0	$245
Grains			
Barley EEC			
Home Futures	£70.9	—0.15	£71.1
Maize			
French No. 3 Am	£94		£89.25
Wheat			
No. 1 Red Spring	£88.75		£89.75
No. 2 Hard Winter			
English Milling	£91.25*		£92.5
Cocoa Shipment			£2,456
Future March	£1,945.5	—8.0	£2,098.5
Coffee Futures			
January	£1,737.5	—32.0	£1,783.5
Cotton 'A' Index	59.2c		57.25c
Jute UABC	$437		$437
Rubber kilo	48.75p	—0.25	51.25c
Sisal ESA3L	$560-70		$550-70
Sugar (Raw)	£109	—1.0	£92
Wooltops 64s kilo	273p		277p

Nominal. §Unquoted. oSeller's quotation. cCents a pound. uEx-tank London-Hull. mFeb. nJan. pJan.-Feb. tDec. Jan. rDec.-Feb. sFeb.-Mar. xPer ton.

FINANCIAL TIMES

Dec. 14	Dec. 13	Month ago	Year ago
241.05	242.05	240.44	245.84

(Base: July 1, 1952=100)

REUTER'S

Dec. 14	Dec. 13	Month ago	Year ago
1437.4	1439.9	1481.6	1547.1

(Base: September 18, 1931=100)

DOW JONES

Dow Jones	Dec. 14	Dec. 13	Month ago	Year ago
Spot	352.92	351.66	371.17	356.91
Futures	324.87	324.27	331.80	358.94

(Average 1924-25-26=100)

MOODY'S

Moody's	Dec. 14	Dec. 13	Month ago	Year ago
Sple Commty	869.9	865.9	841.8	842.2

(December 31, 1931=100)

COTTON—Liverpool. Spot and shipment sales amounted to 426 tonnes, bringing the total for the week so far to 1,642 tonnes, reports F. W. Tattersalls. Further extensive demand was experienced in Middle Eastern qualities with renewed support for South American growths. Spinners continued to anticipate their needs on a freer scale.

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GRIMSBY FISH—Supply poor, demand good. Prices per stone at ship's side (unprocessed): Shelf cod £5.00-£7.00, codlings £4.00-£6.00, large haddock £4.80, medium £4.20-£4.80, small £3.40-£4.20, large plaice £4.70, medium £3.40-£4.20, best small £2.80-£3.30, large skinned dogfish £8.00, medium £5.50, lemon soles £8.50, saithe £2.80-£3.40.

U.S. Markets

Sugar firm, gold up, copper easy

NEW YORK, Dec. 14.

AFTER OPENING higher, copper eased on Commission House selling. Gold closed higher on scattered buying on a weak U.S. dollar. Silver finished lower in mixed trading. Sugar closed firm on Commission House buying. Soyabeans eased slightly on light speculative profit-taking, Bache reports.

Cocoa—Dec. 177.05 (177.30), March 132.65 (131.55), May 142.65, July 13[illegible], Sept. 134.50, Dec. 120.45, March 12[illegible], May nil. Sales: 1,148.

Coffee—"C" Contract: Dec. 21.00-2[illegible] (240.00), March 183.50 (188.42), 182.50-182.75, July 152.00, Sept. 144.75, 129.00-121.00, March 129.00, May 12[illegible] 128.50. Sales: 795.

Copper—Dec. 58.50-(58.40), Jan. (58.60), Feb. 59.00, March 59.50, 60.50, July 61.40, Sept. 62.30, Dec. 6[illegible] Jan. 64.80, March 64.90, May 65.50, 66.70, Sept. 67.60. Sales: 4,124.

Cotton—No. 2: March 51.23-51.25 (51.[illegible]), May 52.07 (51.95), July 52.90, Oct. 5[illegible] 53.93, Dec. 54.80-54.90, March 55.20-5[illegible] May 55.40-56.00. Sales: 165,000 bales.

*Gold—Dec. 160.10 (158.80), Jan. 1[illegible] (158.98), Feb. 161.50, April 163.60, 165.80, Aug. 168.00, Oct. 170.20, Dec. 17[illegible] Feb. 174.80, April 177.20, June 17[illegible] Aug. 182.00, Oct. 184.40. Sales: 5,7[illegible]

†Lard—Chicago loose 19.25 (same). New York prime steam 20.75 (traded) same.

‡Maize—Dec. 213½-215¼ (213½), March 222½-223¼ (224), May 224¼, July 224½, Sept. 220½, Dec. 220½-220¾.

§Platinum—Jan. 174.00-174.30 (173.[illegible]), April 176.50-177.00 (176.20), July 17[illegible] Oct. 182.40-182.60, Jan. 163.30, April 18[illegible] 188.10. Sales: 538.

§Silver—Spot 465.50 (464.50), Dec. 4[illegible] (466.30), Jan. 465.60 (467.70), Feb. 4[illegible] March 471.50, May 475.00, July 4[illegible] Sept. 490.50, Dec. 499.90, Jan. 50[illegible] March 509.40, May 515.90, July 5[illegible] Sept. 528.70. Sales: 12,000.

Soyabeans—Jan. 587½-588¼ (590¼), March 594½-593¼ (598), May 601-600½, July 606, Aug. 603½-604, Sept. 590½, Nov. Jan. 592.

Soyabean Oil—Dec. 22.35 (22.65), 22.10-22.00 (22.45), March 21.70-21.65, 21.45-21.40, July 21.10-21.13, Aug. 21.00, Sept. 20.55, Oct. 20.25, Dec. 20.20, Jan. 20.10-20.20.

Soyabean Meal—Dec. 153.50-1[illegible] (153.10), Jan. 154.00-154.50 (154.40), 157.20-158.20, May 161.10-161.30, 164.10-164.50, Aug. 166.00, Sept. 1[illegible] 163.50, Oct. 163.00-163.00, Dec. 165.00.

Sugar—No. 11: Jan. 9.70-9.00 (9.[illegible]), March 9.44-9.48 (9.31), May 9.65-9.59, 10.13-10.14, Sept. 10.31-10.33, Oct. Jan. 10.60 nom., March 10.93, May Sales: 94.

Tin—585.00-590.00 asked (582.00-[illegible] asked).

**Wheat—Dec. 255¼ (257), March 263¼ (266¾), May 268½-269¼, July Sept. 279½, Dec. 288.

WINNIPEG, Dec. 14. ††Rye—Dec. bid (111.00 bid), May 115.00 (asked), July 116.80 bid.

††Oats—Dec. 74.80 bid (74.30 bid), 73.40 bid (72.30 asked), July 71.30 asked.

‡Barley—Dec. 76.50 (78.90 bid), 76.20 bid (76.40), July 75.70 asked.

§§Flaxseed—Dec. 211.30 bid (21[illegible]), May 218.20 (217.90), July 220.30 b[illegible]

Wheat—SCWRS 13.5 per cent. protein content cif St. Lawrence 354½ (353[illegible]).

All cents per pound ex-warehouse unless otherwise stated. *$s per troy ounce—100 ounce lots. †Chicago loose $s per 100 lbs—Dept. of Ag. prices previous day. Prime Steam f.o.b. NY bulk tank cars. ‡Cents per 56 lb. bushel ex-warehouse, 5,000 bushel lots. §$s per troy ounce for 50 ounce units of 99.9 per cent. purity delivered NY. ¶Cents per troy ounce ex-warehouse. ‖New "B" contract in $s a short ton for bulk lots of 100 short tons delivered f.o.b. cars Chicago, Toledo, St. Louis and Alton. **Cents per 60 lb. bushel in store. ††Cents per 24 lb bushel. ‡‡Cents per 48 lb. bushel ex-warehouse. §§Cents per 56 lb. bushel ex-warehouse, 1,000 bushel lots.

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FINANCIAL TIMES SURVEY
Thursday December 15 1977

Zambia

Zambia is facing as serious an economic crisis as any in its 13-year history. In part this stems from its role as leader of the front-line African States opposing Rhodesia. But the biggest factor is the slump in world copper prices; to-day there is virtually no government revenue coming in from copper.

urse f a pper oon

Bridget Bloom,
Correspondent

OVEMBER 23, just a after Zambia celebrated anniversary of indepen- President Kenneth talked to the Financial about his country's problems. An Inter- Monetary Fund team the Zambian leader efore. "They analysed tion as being very, tal," President Kaunda t this is how we our- ve analysed it." Asked he saw an alternative corrective measures, sident said he did not. on't take action, we will We will collapse as a

can be few leaders able owledge the possible nces of economic crisis tly. It is perhaps argu- ether countries (unlike free and happy, has long been es) actually do collapse as a result of even the direst economic difficulties. But no one looking at Zambia to-day can fail to take account of President Kaunda's message. Unless the Government soon takes the severest measures to pull the economy round, Zambia could face an economic and possibly also political crisis of grave proportions.

Zambia has had more than its fair share of political and economic storms in its short life as an independent state, some of its own making, and some totally beyond its control. In the same interview, President Kaunda acknowledged: "We are partly to blame, but this is the curse of being born with a copper spoon in our mouths." Again the President is right. There can be no doubt that the country's economic problems stem from copper, and that the commodity's continuing stagnation on world markets is in no way Zambia's fault. But what is equally significant just now is that, as the current crisis deepens, the weaknesses and failures of the Government's own policies are becoming more and more apparent.

Zambia, which has been truly in the front line of the Southern African conflict since the day of its independence, and which has within its borders some 73 different tribes, must be one of Africa's most difficult states to govern. President Kaunda, who brought the country to independence and who has not only managed to stay in power but has kept his people relatively recognised as a consummate politician in the domestic context, while his role in Southern Africa has won him wide respect within the continent and much farther afield.

Under Dr. Kaunda's leadership, Zambia early on imposed sanctions against Rhodesia, often it seemed without thanks from much of the rest of the world. Sanctions have cost the country dearly—some, in the current situation, would say much too dearly, though Dr. Kaunda has been prepared to talk to Mr. Smith himself, and to Mr. John Vorster, the South African Prime Minister, in an effort to achieve an equitable negotiated settlement in Rhodesia.

Negotiation

Dr. Kaunda is obviously deeply disappointed that none of the efforts at negotiation have succeeded: it was the apparent failure of the recent Anglo - American initiative which has prompted him, in the last few weeks, to suggest that there should be a direct handover of power to the Patriotic Front and to state, only last week, that he would no longer be involved with Anglo-American plans for Rhodesia. As for the current attempts at an "internal" settlement, Dr. Kaunda clearly believes they hold out little hope.

But just as the years have taken their toll in southern Africa, so they have in Zambia itself. Zambia's immediate problem is within its own borders, with an economic crisis which stems mainly but not solely from the slump in world copper prices. Any country with the problems facing Zambia now would find it difficult to adjust to its new and reduced circumstances, but for Zambia, which on independence had the highest per capita income of any black state, it is especially traumatic.

The problem is starkly expressed. Until the price plummetted in 1975, copper provided Zambia with over 90 per cent. of its foreign exchange earnings. And the government relied on copper for more than 50 per cent. of its annual revenue. To-day, there is virtually no revenue at all from copper. And the copper mines have become so expensive to run that they themselves consume two-thirds of the foreign exchange they earn.

The economic impact of these basic facts, as articles elsewhere in this Survey analyse in detail, is already severe. The fall in revenue has produced budget deficits for each of the past three years, which have only been met by massive borrowing from the Bank of Zambia. This has fed inflation, now estimated at an annual rate of over 20 per cent. The two state controlled copper companies are making a loss, with one of them already heavily in debt to the central bank. Because of the rising cost of the mines, and of essential imported goods, the country is also suffering from a critical shortage of foreign exchange. So far behind is Zambia now in paying for its imports that overseas suppliers are growing hesitant about extending further credit. Zambia is already living from hand to mouth; there are no reserves, and almost no money going into development.

A grim portent of what could be in store came only last month, when Dunlop Zambia Ltd., the only manufacturer of car tyres in the country, closed down. It did not immediately lay off its several hundred workers. But as one observer remarked, Zambia is a large and sparsely populated country. "We feed, cure, and administer ourselves on tyres. What shall we do now?"

The immediate answer is that the government must pull the country's collective belt tighter than it has ever been pulled before. The recommendations of the IMF, whose representatives saw President Kaunda last month, will probably not be known unless and until Zambia accepts them. But the broad outlines of what must be done are already obvious. The operations of the copper companies must be pruned, probably with mine closures and worker redundancies to staunch the losses. The costs of the civil service and party organisation must be severely cut back. Subsidies on everyday goods must go. Defence spending must be rationalised as must all non-productive expenditure, which could well for example mean introducing fees in schools and colleges.

At least some of these measures have already been suggested by the authorities themselves. In a major speech to an emergency session of Parliament in October, Dr. Kaunda called for a review of the country's economy and last week a specially appointed select committee reported back to Parliament. Included in its recommendations were across-the-board cuts in government spending, including subsidies, and even, by implication, cuts in defence.

With such stringency, which might or might not include devaluation of the kwacha (the arguments against devaluation are strong, in that Zambia has almost no exports at present which could benefit, while devaluation would only further increase the cost of imports), the IMF, it is supposed, would be the conduit for substantial foreign assistance and balance of payments support to enable Zambia to put its economic house in order and help wean the economy away from dependence on copper.

Measures

But one only has to look at the measures now required to see that they would, if implemented, have implications far beyond the economy. Financial observers in Zambia and outside it believe that in economic terms, the government has a maximium of six months before the crisis, as foreshadowed in the Dunlop closure, begins to get out of hand. They believe that action must be taken at the latest in the forthcoming budget, traditionally introduced at the end of January.

But next year a general and presidential election is due. Zambia has been a one party state since 1973, but against a background of already very considerable dissatisfaction (food and other shortages are themselves partly a reflection of the country's economic problems) it is by no means certain that the government and party will get the showing they would like from the polls. The key question, therefore, must be whether the government will feel politically able to take the necessary measures in time.

There are some grounds for doubt, if Zambia's past record is a guide. It is perhaps unfair to blame the Zambian Government for not foreseeing that, when the price of copper fell in 1975, it would not recover. But it was obvious two years ago that Zambia faced economic problems, which were diagnosed by the IMF in November and again in March, 1976. Had the measures recommended then been taken (Zambia devalued in July last year but the accompanying measures were only half-heartedly applied) it is fair to say that the current crisis would now be less severe.

Many senior government and party officials admit that action should have been taken in 1975-76—just as they also admit that the Government's most glaring failure has been to develop agriculture. One of the paradoxes of Zambia is that although the economy is essentially state controlled, and politics centre on the one party structure, there is a very strong tradition of democracy and self criticism. From Dr. Kaunda downwards, Zambians can see and analyse their own problems, often with great frankness and clarity.

It has been clear for years—and the evidence is in countless ministerial and presidential statements—that Zambia's best way out of copper was through farming. Yet agricultural production, despite a few small successes in the past year or so, still falls pitifully short of what it could be. It is not enough to call, as Zambia's leaders have tended to do, for harder work and greater sacrifice. As Mr. Alex Chikwanda, the current Minister for Agriculture, declared in a hard hitting speech to the Lusaka Economic Club in October: "If rhetoric were reality, Zambia should be paradise, for we are really second to none where rhetoric is concerned."

CONTINUED ON PAGE V

BASIC STATISTICS

Area:	290,586 sq. miles
Population:	5.18m. (1976)
GNP:	K1.07bn. (1976)
Per capita:	K330
Trade:	
Imports:	K732.07m. (1975)
Exports:	K521.05m. (1975)
Imports from U.K.:	£66.03bn. (1976)
Exports to U.K.:	£73.10bn. (1976)
Currency:	kwacha £=k1.41

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ZAMBIA II

Zambia has been a one party state for some years, but that does not mean elections are without interest. Following a poor showing at local polls in August, there is already speculation that next year's general and presidential elections could yield surprises.

Politics

THE CRISIS in Zambia's economy takes precedence over all else just now. But as the introduction to this survey points out, the ramifications of the action which needs to be taken to put the economy right obviously extend into the political field. Zambia's last election was held in 1973 and another is due next year, and though the timing depends on President Kaunda, he himself and the country's members of parliament are all constitutionally due for re-election by December 1978.

Since Zambia is a one-party State, it might be tempting for outsiders to ask whether elections matter very much. The answer must be that they do, for although there is very little likelihood that President Kaunda would not be re-elected, voters can oust sitting MPs, even though each of the three candidates standing in any one constituency must have the approval of the party's central committee. But beyond that, the turn-out at an election inevitably reflects the party's and the Government's standing in the country at large—and that is currently a problem that considerably worries those in authority.

Many Zambians see a pointer to things to come in the results of the local party elections, held last August and September. The electoral system of Unip—the United National Independence Party — is cumbersome and officials admit that its organisation, especially at grass roots levels, leaves much to be desired. But even Freedom House, the party headquarters, was taken aback at the poor showing at the elections, which were to fill party posts at the lowest—village and section—and intermediate or branch levels.

Full results have not yet been published, but those that are available show that at least 30 per cent. of the posts overall were unfilled, because Unip failed to find candidates willing to stand. There were apparently considerable regional variations—in the Eastern province for example, over 90 per cent. of the posts were filled and in Kabwe 70 per cent., while in others—in two branches in Chitanda, for example, where only six of a total of 48 posts were filled—the percentage was much lower. Equally disconcerting for the party, however, was that in very few areas do the seats seem to have been contested; sheets of returns being analysed in Freedom House last month showed almost all candidates being "elected" unopposed.

President Kenneth Kaunda confers with Mr. James Callaghan, the British Prime Minister, at last June's Commonwealth Conference in London. There, Dr. Kaunda led the debate on Southern Africa, calling for tougher international action not only towards Rhodesia itself but on South Africa as well as towards multinational corporations—in particular oil companies—dealing with South Africa. Prophetically, perhaps, Dr. Kaunda told his Commonwealth colleagues on June 9 that since the world was "united in declarations but not in action" on the Southern African issue "we should not place too much hope in the current Anglo-American initiative" on Rhodesia.

Party officials, while admitting poor grass roots organisation, point to primarily economic factors—such as the lack of transport or fuel—to explain the poor response. They argue that the local party elections are an imperfect guide to what might happen in a general election: candidates, they maintain, did not come forward for the lower posts since they were waiting to stand for more senior posts in the next round of elections.

Record

But the record of Zambian elections suggests that the low turn-out is part of a continuing trend. An article in the Government-owned Daily Mail, written last August before the results of the elections were known, pointed out that "in the first flush of independence" in 1964, 94 per cent. of the electorate voted. This, despite a lowering of the voting age from 21 to 18, dropped to 82 per cent. in national elections in 1968 and to only 39 per cent. in the first general and presidential elections held under the one party system in 1973.

Commenting on the August results, the Zambian Sunday Times said: "There could be two reasons for the present apathy towards party elections. One is the old one about the one-party system undermining people's enthusiasm. They think it's a waste of time because their vote can't possibly make any difference anyway. Another reason could be that a bunch of fifth columnists has succeeded in getting some people thoroughly disillusioned with the party and what it stands for."

Against this background, there is obvious worry that the economic crisis will add to popular dissatisfaction. The poor results in August might have been partly due to shortage of basic food and other commodities in the months before the elections. President Kaunda made it clear that the persistent shortages were one reason why he sacked Prime Minister Elijah Mudenda in July—and since then the Government has made a determined and largely successful effort to ensure that the most basic commodities are available. However, with much greater austerity in sight the Government is unlikely, as it recognises, to increase its popularity.

Obviously such thoughts have been behind suggestions that next year's elections should be called off. In the article quoted above, for example, the Mail's "special political correspondent" argued that Zambia was in a state of war, both over Rhodesia and the economy and that the elections should therefore be postponed. Serious people were worried "that an election would not only arouse passions to a degree which would give the enemy an opportunity to accelerate activities to the detriment of the entire country; but would also, for a long time before and after the elections, divert the energies of the country from meeting the real challenges which face us."

Though Government and party officials and President Kaunda himself maintained last month that elections would be held within the due time, fuel to the argument for postponement may have been provided by the very recent report of the Parliamentary Committee, headed by the Finance Minister Mr. John Manakatwe, on the state of the economy. The report contains some pretty explicit suggestions that the party will have to be reformed, if only to reduce the costs and inefficiency of the duplication of party and Government posts throughout the central and local administration. If such reforms were to be undertaken, the Government might feel it wise to postpone the elections until after they had been fully considered and implemented.

But as events of the past few months show, there is a great deal of fluidity in the Zambian political scene at present. President Kaunda's propensity for reshuffling senior Ministers and officials is well known and this year has been no exception.

In April Dr. Kaunda dropped two Cabinet Ministers, one of them for "anti-party activities"; the army chief Gen. Chikuli was moved sideways to become Minister of Mines; in May five of the nine provincial leaders were changed, while in July, following a presidential warning that "heads will roll" if the shortages did not stop, Elijah Mudenda was replaced as Prime Minister by former Attorney-general Mainza Chona.

But perhaps the biggest shock came in August, when the President dismissed his long-serving Minister of Home Affairs, Aaron Milner, apparently for violating the leadership code which places strict limits on the income of government and party officials.

Aaron Milner's dismissal probably surprised observers more than any other, if only because, it was widely believed, the President was able to rely on him in a way that he could rely on few others. Not only was Milner a personal friend of Dr. Kaunda but as a "coloured" born in Rhodesia; Milner did not have a particular political constituency within Zambia itself.

Investigation

Now, however, Milner, who as Home Affairs Minister was responsible for investigations into corruption, is under investigation himself. In a recent interview in Lusaka, Dr. Kaunda acknowledged that Mr. Milner was his friend, but, he said, "no personal relationships can ever deter me, for as long as I have my faculties . . . from taking action against anyone." The Government would, if there was a case against Milner, "hold a public enquiry soon." The former Minister would "have his lawyers, the government will have its own lawyers and evidence will be given by the State that this is what happened, and he'll have to defend himself," the President said.

Charges of corruption have been laid against several senior Zambians recently, including an army colonel, a former permanent secretary and a former member of Unip's central committee. Zambians admit that corruption exists — although it is certainly not on the scale known in some countries. But there are, perhaps inevitably, questions as to the evenhandedness of the authorities in determining where it lies.

There have been other recent indications of some political malaise. A few mor several senior including former Minister Vernon Mwa their passports withdr out explanation — th unofficially suggested had been criticising th ment abroad. There problems too, an students, who staged their most serious stration to date — reduction in allowan February and March, of the country's tra have shown consider lessness over the past

It is, however, diff a particular pattern events, though ol economic problems thing to do with th The suggestion has made that President in some way been c decks both to mee th crisis and the elect earlier Government took place against a of what the Zambian "dark corner meetin it was suggested, prominent men tribally based alliances.

Such affairs are Zambian political Dr. Kaunda's cont occupations in rult ethnically and soci state—Zambia has four main languages social cleavages ste the town and coun tation and the gen which characteri African States — win and try to in loyalty of men who port is often tribally suggestion this time past) was that nort disaffection wa dangerously fanned to the Government.

That suggestion partially quashed b last September Kapwepwe, the fo President and child of President Kau party fold. Kapwe widely believed, support among speaking people; in 1971 to form ha which was then Kapwepwe and ove followers arrested return — it has by Dr. Kaunda fo years — has caus able political exci speculation centri role he and his foll to play in the elec

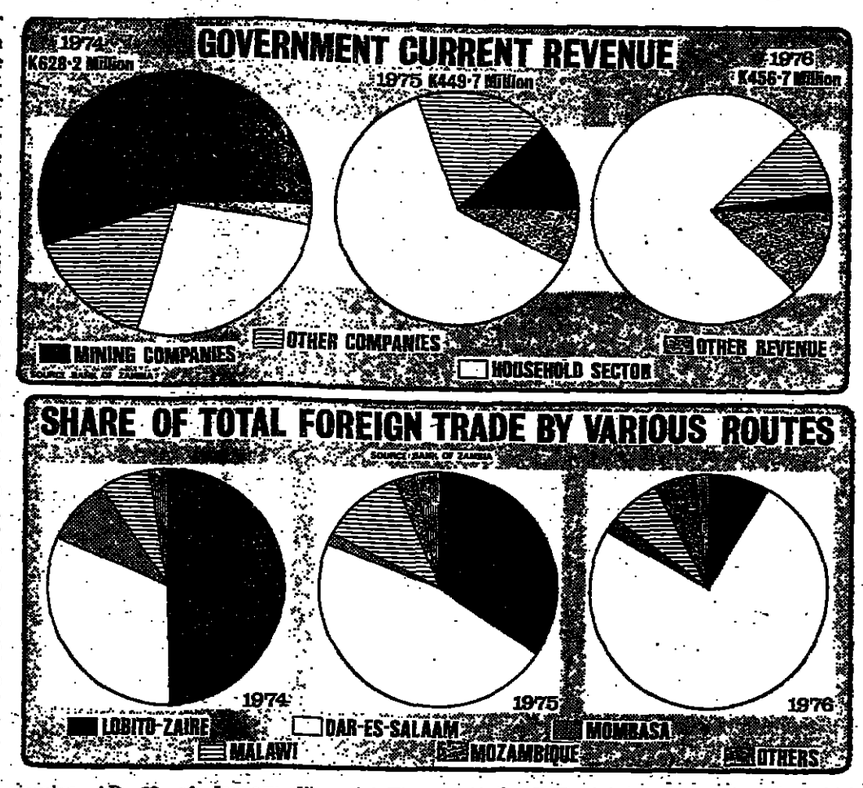
All that is know that Kapwepwe m dition for his retu the waiving of the candidate could election unless he Unip member for two years. Few pe that Mr. Kapwepwe terested in high pol there have e suggestions that he against President K elections.

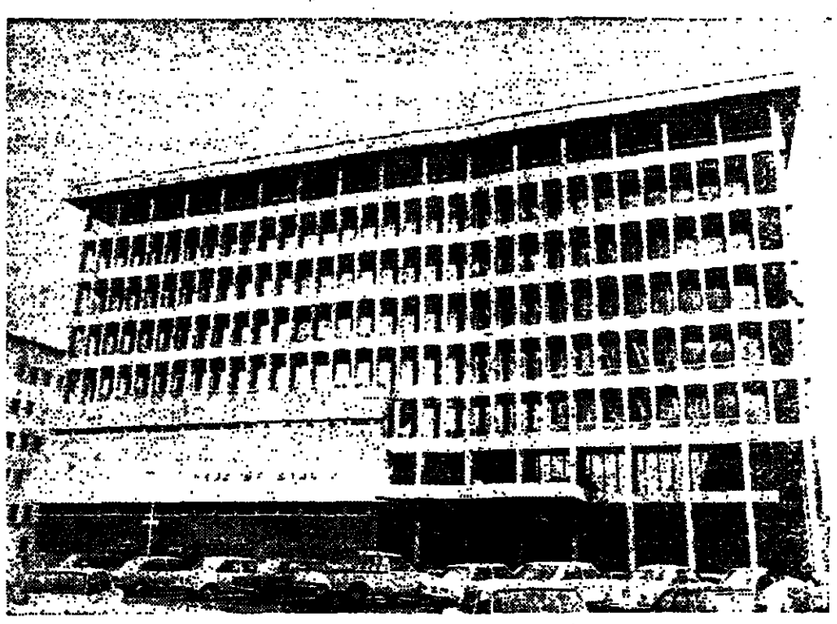
Mr. Kapwepwe announcing his rejoin Unip, said he and his supp rejoined "for the s plete unity and for now obtaining in Perhaps the key qu Zambians would li is whether Mr. Ka make a real comeb through the polls vitation of Preside or whether he will of other politician challenged Unip, rejoined it, only political oblivion.

Bridg

The fall in copper prices since their peak of 1974 has left Zambia with formidable economic problems. It has led to a critical shortage of foreign exchange and massive government borrowing while inflation is running at over 20 per cent.

The economy





The Bank of Zambia head office in Lusaka.

Y SAY I can't: Say I'll try." eads the motto engraved on laque in the corner of the s of the man in the hot seat mbia to-day: Finance Min- John Mwanakatwe.

yone but a finance minister g Zambia's formidable nomic problems might be ted to say "I can't." The er slump has led to a al foreign exchange short- and massive government owing, unpaid accumulated rt bills exceed £200m. In n is running at over 20 per and Zambia's front-line in the Southern African let continues to be a heavy n.

thing more starkly illus- the country's economic ems however than the e fall in government al revenue. In the past r has provided over 90 ent. of foreign exchange, ver 50 per cent. of govern- revenue. But from the 1974 ue figure of £242.5m. (54.4 ent. of the total) it fell to (2.5 per cent.) last year. will contribute no ne in 1977, and mining s believe that copper are unlikely to improve ably for at least two or years. Both Roan Consoli- and Nchanga Consolidated r mines are in financial ties, with their borrowing the Bank of Zambia at and £46.9m. respectively. is only part of the pic- he foreign exchange con- copper production costs rent prices is as high as cent.—leaving a mere 35 nt. of the foreign currency for the rest of the y and its needs.

ever, the critical state of nomy is due to more than ll in copper prices since peak in 1974. Earlier this a parliamentary select ttee chaired by Mr. katwe put the direct cost mbia of sanctions against ia at £430m.

couraging

o criticised government , poor management of the parastatal (govern- controlled) companies dominate the economy, a ally poor" agricultural , and the discouraging de towards private local ternational investment.

the past, two decisions ticular are questioned by critics. The first is the ption of the Zambia and Industrial Corpora- (ZIMCO) bonds, announced gust, 1973, six years ahead aturity. As part of the take- of the copper industry in the government raised the to repay the Anglo-Ameri- orporation and Roan Selec- Trust. The decision to the bonds at par (when market value was 48 per was to cost £106.4m. in exchange, £38m. from es and £68.4m. raised in urodollar loans.

addition, it seems that a in the Anglo-RST manage- contract, stating that it run until the bonds were or 1980, whichever was was overlooked, and com- tion cost a further £40.5m. ually a Bank of Zambia circular—AD 63 of January, 1974—allowed payments for imports to be made in cash upon shipment, and was coupled with the overissue of import licences. It resulted in substantial payments for imports which were still in the pipeline by the end of the year. One source puts the foreign exchange cost of what a senior official describes as "an act of folly" at £35.5m.; others suggest a much higher total.

So how has Zambia been managing? It is no secret that deficit financing has reached unacceptably high levels. Successive budget deficits of £218.8m. in 1975, at least £200m. in 1976 and an estimated £108m. in 1977 have led to large government borrowing from the Bank of Zambia. Last week, Parliament authorised an increase in the ceiling on short term government borrowing from £355m. to £568m. and although bank sources maintain that government borrowing in 1977 is 28 per cent. of government revenue (£369.5m.) some observers believe it could well be much higher.

In addition there is an expensive import pipeline—goods ordered and yet to be paid for—put at over £200m., stretching back about 12 months.

In keeping with the mood of senior government officials, Finance Minister John Mwanakatwe is frank. He admits that the rate of deficit financing is virtually printing money, and acknowledges that the picture is "gloomy," with the overall deficit "certainly much bigger than last year" (1976—£96.7m., 1975—£177.5m.). "If you had a dictator the answer would be to slash government expenditure left, right and centre," he says.

Against this background an eight member delegation from the International Monetary Fund visited Lusaka last month. President Kaunda told the Financial Times that the IMF, in making a number of "suggestions," had analysed the situation as being "very, very critical indeed"—as Zambia had itself analysed it. Unless drastic measures were taken, said the President, Zambia faced "collapse as a nation."

The warning signs were apparent when on October 11 Dr. Kaunda called an emergency session of the National Assembly to deliver a major economic address. He called for "a new economic policy which shall progressively run the country free of copper."

The main points were:

Increased agricultural programme, with a target of 50 per cent. of cash production for export;

A "drastic" reduction of staff in "overemployed government ministries and other public services," accompanied by a rural resettlement programme.

Pruning of the political, economic and social superstructures—taken to be a reference to the top-heavy administration in which party posts appear to duplicate government ministries, as well as a re-examination of the often-inefficient parastatals;

Cuts in copper production costs;

Encouragement of local and international investment.

This then is the broad strategy, and more specific guidelines have been provided by the select committee.

Discussion

What is missing, however, is public discussion of defence spending, an area in which costs—with a high foreign exchange content—have soared. There are no published figures and the estimates are not debated in Parliament. It is known though that defence costs come under the item "constitutional and statutory expenditure"—which at £175m. was nearly 40 per cent. of the 1977 budget, and 28 per cent. up on the 1976 figure.

But President Kaunda has already ruled out cuts as "unrealistic" given the tension in Southern Africa. The other areas have come under the committee's scrutiny, and their recommendations are stringent.

Part of the reason for the increased constitutional and statutory vote, say informed sources, is the increased commitment to public debt.

Suggestions that Zambia might default on her external debts are flatly discounted. In 1975 interest payments and loan repayments on public external debt was 8.1 per cent. of earnings from the export of goods and services in that year. It rose slightly in 1976 and the figure for 1977 is between 9 and 10 per cent. Although this is a steep increase compared to 1974's 4 per cent. (when copper receipts were high) it is regarded as a tolerable level.

"Contrary to popular myth" comments a senior Zambian minister, "Zambia still has considerable capacity to service medium and long-term external loans."

Despite reductions in 1976, subsidies on fertiliser, and consumer goods such as bread and maize, come to nearly 10 per cent. of the budget. The committee recommends that consumer and fertiliser subsidies be phased out over three years, while improving producer prices. In addition parastatals should be allowed a flexible pricing policy.

Capital expenditure has already been cut by 60 per cent. between 1975 and 1976, and reduced a further £2.1m. to £113.2m. in the 1977 budget. Yet the committee advocates further cuts, including spending on social services "regrettable as this may be," and suggests users should contribute directly to costs—education and health services have been free since independence in 1964.

But it is not thought that there is much scope for import cuts. According to the Bank of Zambia's latest report, "any further reduction of imports will impair the overall growth of the economy seriously and lead to structural distortions."

Inevitably a further devaluation comes under discussion. It is generally accepted that in July 1976 20 per cent. devaluation of the Kwacha came too late. The IMF probably made this recommendation by the end of 1975 and indeed Mr. Mwanakatwe said that it should have taken place by March.

But all the IMF measures were not implemented. Although the government did increase agricultural producer prices, raise the interest rate and reduce subsidies, a crucial demand was not fulfilled—a cut in the level of government and private sector borrowing from the Bank of Zambia.

Part of the reason, says the Bank Governor Luke Mwananshiku, was that while government had agreed on a ceiling to domestic borrowing this was based on the assumption that the 1976 average copper price would be $850 per tonne—and in fact it was £780.

As a result post-devaluation aid has been less than expected. Since July 1976 Zambia has only received an automatic drawing of 27.5m. SDRs. Other aid has been tied to imports.

Most economists and officials in Lusaka are against another devaluation. The benefit, they say, would be slight—increased liquidity for the hard-pressed copper companies, but no non-copper exports to take advantage of the move, which would also give an unwelcome boost to the cost of living through the increased import bill.

Costs

On the face of it, then, Zambia's short and longer term economic programme seems clear: immediate and substantial cuts in government spending, pruning of copper production costs, greater efficiency in the civil service and parastatals, while longer term measures would be based on a massive land resettlement programme, export of increased agricultural production and encouragement of private investment.

In return for this package Zambia could expect substantial IMF and World Bank assistance, and could, as one official put it, look for bi-lateral aid on the strength of the IMF "imprimatur" on Zambia's handling of her economy.

But the list of problems is formidable.

Looming large is next years elections. The proposals would mean a rise in the cost of living, yet inflation is already high—over 20 per cent. Redundancies would come on top of already severe unemployment. The committee itself raised questions about the efficiency of the parastatal companies, which are partly to blame for the sporadic shortages of basic commodities, and many observers wonder whether the calibre of Zambian "middle management"—itself responsible for some of the problems—is sufficient to carry out the reforms.

Rural "redeployment" requires a costly infrastructure if it is to be effective, and agricultural expertise is scarce. Reduction of mining costs should include redundancies—perhaps as high as 5,000—but it will be a brave man who inflicts that on the powerful Copperbelt.

Some measures involve other delicate political issues: re-introduction of school and medical fees would not only be unpopular, but touch at the heart of President Kaunda's socialist-based "humanism" philosophy. Cuts in the Government superstructure may arouse antagonism between party and government.

It is also discouraging (as President Kaunda himself acknowledges) to review budget and government statements over the years and detect a by-now familiar call: conserve foreign exchange, cut government spending, boost agriculture, reduce the dependency on copper—which has a mixed record of achievement.

Nor does the apparent ambivalence in government about the role of private investment—part of the debate as to whether humanism and capitalism are compatible—encourage investors despite the favourable terms offered under the 1977 Industrial Development Act.

Yet perhaps it augurs well that nearly all these issues have been raised in the Zambian Press, part of a mood of rigorous reappraisal. And for those who would pull back from the measures required, there are clear signs of what can happen. Last month's temporary closure by Dunlop Zambia of its Ndola factory due to a shortage of foreign exchange for essential raw materials could be repeated around the country.

It is a prospect which will concentrate the mind of every Zambian politician, not least Finance Minister John Mwanakatwe as he prepares the January 1978 budget.

Michael Holman

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ZAMBIA IV

The vital ingredient in the Zambian economy—copper—is in danger of swallowing the revenue it earns. Like talk of retrenchment among mineworkers, this might have been avoided if the Zambian government had been more far-sighted during the boom years.

Copper

KING COPPER is in trouble, and never has the dependence of the economy upon this single mineral looked so unhealthy. The significance of the mining sector, and the consequences of the continuing depressed prices, can hardly be over-estimated.

It produces over 90 per cent. of foreign exchange, provides 14-16 per cent. of formal sector employment, generated one-third of GDP in 1974, and until recent years over half of Government revenue.

This year the contribution to Government revenue will be nil. The share of GDP fell to 11 per cent. in 1976. Copper continues to dominate export earnings but at current prices (the average for the quarter ending September was £660 a tonne), The foreign exchange content in the cost of production is estimated at between 65-70 per cent. These costs include depreciation of capital investment, imported supplies (even items manufactured in Zambia, such as rock breaking equipment, have a foreign exchange content) and remittances of wages and gratuities of the expatriate workers on the mines.

Both Roan Consolidated Mines (RCM) and Nchanga Consolidated Copper Mines (NCCM) the two major producers which are 51 per cent. Government owned, have publicly acknowledged their serious financial difficulties.

They are running at a loss and borrowing heavily. As one executive put it, "At current prices and without external finance we are now dependent on Bank of Zambia borrowing. The mining companies need £850 per tonne to give a reasonable profit and it is prudent to assume this is not going to occur in the short term. A higher figure would help boost government revenue." By October 31 this year, RCM and NCCM short term borrowing from the Bank of Zambia was £59.2m. and £46.9m. respectively.

The overall picture for RCM is total borrowing of £151m. of which £75m. is short term. For the first time the company's balance sheet has the item "net current liabilities" which at June 30 were £5m. and are now thought to be around £19m. In the case of NCCM, total borrowing is some £195m. of which £108m. is short term. While it is thought that the NCCM balance sheet still shows net current assets, these are believed to be under pressure.

The 20 per cent. devaluation of the kwacha in July last year brought the hard pressed companies only limited relief. Their financial position in Kwacha terms improved (and copper prices coincidentally rose) but on the debit side were increases in costs and in repayments on loans contracted overseas.

Assistance

There may be some international assistance on the way. There have been preliminary contacts with the Japanese in recent weeks over loans against future supplies at LME prices, but negotiations are still at an early stage (in 1976 Japan imported 125,000 tonnes of copper from Zambia). But whatever develops, there is a need for urgent action by the companies. Thus in last October's address on the economy to an emergency session of parliament, President Kaunda proposed a committee to investigate ways in which the industry could reduce costs.

It appears to have got off to a slow start. Names of members of the commission (chaired by Bank of Zambia Governor Luke Mwananshiku) were not announced until November 27. It has been unable to meet until mid-December and yet is expected to present its report by December 31. It will have to make tough and probably unpopular recommendations and some observers wonder whether under these circumstances an experienced outsider should not have been brought in.

According to one member, preliminary proposals or assessments have not yet been circulated. Behind the scenes the position may be different. Certainly, some discussion has taken place (though not within the context of the commission) on the most contentious cost cutting area — redundancies among the 58,000 workers. But one senior official maintains that the Mineworkers Union of Zambia (MUZ) has not yet received any official suggestions.

However, one mining source believes that the crisis demands a labour cut of 5,000. This is ruled out by equally well-placed sources, who argue that labour costs could be cut in less drastic ways — by encouraging early retirement, and leaving some vacancies unfilled, for example. What seems clear is that the possibility of retrenchment is at least being debated.

Included in the discussion are suggestions that redundant miners be "redeployed" on land settlement schemes. Whether the Copperbelt miner, whose average annual wage in 1975 exceeded the national formal sector average by 67 per cent., will take kindly to the move is another matter. And like many of the austerity measures under consideration for the economy as a whole, it carries political difficulties at any time, and in election year in particular.

There are also doubts as to whether there is the time, resources and expertise to successfully introduce such a scheme. The MUZ attitude to the recent lay-offs of 240 of its members following the closure of RCM's Kalengwa Mine (due to the exhaustion of ore in the open pit) may be a warning. The Union is demanding that these workers, as well as those affected by the closure of RCM's geological services section at Chibuluma Mine, be found jobs in existing RCM and NCCM divisions.

Low prices is not the only problem the industry has had to cope with. Production costs have risen faster than those of Zambia's competitors. According to one report the world average rose by 48.8 per cent. between 1965 and 1973, but during the same period Zambia's costs rose 91 per cent. Reasons include the expensive equipment necessary to extract copper copper from a deepening and declining ore body, the high percentage of copper—65 to 70 per cent.—from underground mines which are more costly than open pits, heavy transport costs and inflation.

At the same time, the mines have been functioning at under 80 per cent. of overall capacity, put at 845,000 tonnes, which was the revised second national development plan target for 1976. But last year total production was 709,000 tonnes (NCCM 436.6, RCM 298.3).

Efforts to cut costs have had mixed results. During the financial year ending March 1976, NCCM's average cost of production F.O.R. mine rose from £474 per tonne in 1975 to £504 a tonne, a rise of only 6.4 per cent. RCM's average cost of production rose 9.9 per cent. from £440 per tonne in 1975 to £483 during the financial year ended June 1976. Comparable percentages in previous periods were 25.6 per cent. and 18.4 per cent. for NCCM and RCM respectively. But estimated costs this year are at least £710 per tonne for NCCM and higher for RCM.

Meanwhile both companies have been limiting capital expenditure. NCCM's spending in 1976-7 was £11.4m. compared to nearly £29m. in 1975-6, but this cut has been possible because some £150m. was spent on capital development in the early 1970's. RCM capital spending however rose from £24.5m. in 1975-6 to £40m. in 1976-7, going towards development of projects which, says the company, are "essential if current levels of output are to be maintained."

Closure

Major savings could come from the closure of one or more high cost sectors. In the case of NCCM this would be difficult because of the company's complex and integrated benefication processes. But it is feasible with RCM where there are glaring examples of high cost sectors—such as Luanshya where production costs are about £970 per tonne.

This would not mean an immediate closedown. Mines, remarks one director, are like armies: there is more marching than fighting. In other words, forward development would cease but excavation of the exposed orebody would continue. Another potential area for cuts is ancillary mine services—housing, education and social services.

The short to medium term prospects for copper seem gloomy. Most observers do not expect the price to rise substantially until after 1980 and recovery will be held back by the fact that the world ratio of stocks to consumption has moved from 19.3 per cent. in 1970 to 45.8 per cent. at the moment. Amalagamated Metal Trading of London forecasts that the ratio will exceed 50 per cent. by 1980.

"The paradox," says RCM's David Phiri, "is that in the bleak outlook for copper emanating from present excess supplies, the groundwork for future shortages is well and truly being laid, as current prices have brought new mine projects either to a care or maintenance basis or to a halt the world over.

"The seeds of an inevitable price explosion are being sown," he warns.

It is too early to judge the effect of the reported decision by Zambia, Zaire and Peru to go ahead with a 15 per cent. cut in production despite the refusal of fellow CIPEC (Inter Governmental Council of Copper Exporting Countries) member Chile to participate. Although the decision was announced in Jakarta a few days ago by the Zambian Minister of Mines, General Chinkuli, it is not yet known when and how the decision will be implemented.

Previous CIPEC action has not been successful. In November 1974 its members, who produce a third of international output and 75 per cent. of world exports, agreed to a 10, later 15 per cent. cut, which was ineffectively applied. It would be a costly move for Zambia. A 15 per cent. drop in production means 100,000 tonnes worth some £7m. at current prices and redundancies would be almost inevitable.

Against this background of really major problems other more traditional difficulties on the Copper Belt are shadowed. They include a expatriate turnover which year was 33 per cent. highest for several years partly responsible for a age of skills on the mines.

In addition there is co about the capacity of the Railway to handle traffic ciently, and the port of D Salaam to cope with cargoes such as wheat, co fertiliser.

Unfortunately Zambia to establish a foreign ex reserve stabilisation when prices were high. such a scheme a proporti foreign exchange earning good years is put into a upon which drawings are when prices fall. Had it so, Zambia might now be placed to ride out the c depression and draw husbanded resources which to back the agricul expansion which is now urgently called for.

Blasting at Nchanga Consolidated Copper Mines' Open Pit; copp has almost ceased to be a net revenue earner for Zambia.

In spite of a multitude of ambitious projects, agricultural development in Zambia has had difficulty getting off the ground. But as with other developing countries, terms of trade have deteriorated, and greater efficiency and new investment is what is called for now.

Agriculture

"Despite the hard-earned lessons of so many developing countries throughout the world that rural development is an exceedingly difficult, slow task, requiring substantial inputs of money and manpower, and a transformation of political and social structures, the history of Government policy in Zambia since independence has been one institutional form after another being hailed as the solution to the country's rural problems—only for these to be dropped quietly a short while later, as soon as the first inevitable problems appear, and before a serious attempt has been made to overcome them." (From "Narrowing the Gaps," an International Labour Office report to the Government of Zambia on planning for basic needs and productive employment, January, 1977).

UNDAUNTED BY this hard-hitting extract from an ILO report, which is genarally critical of Zambia's agricultural performance, Agriculture Minister Alex Chikwanda declared two months ago: "Agriculture is on the verge of a sustained take-off." Were this optimistic claim to come from anyone other than a minister renowned for his frank assessment of the economy, it might be treated with scepticism.

From the same man, and in the same address comes the following: "If rhetoric were reality, Zambia should now be paradise, for we are second to none where rhetoric is concerned . . . we must translate our beautiful ideas into concrete reality and not get such disproportionate kicks out of mere utterances, for it has become a kind of national fashion to be satisfied with meaningless resolutions."

In the case of agriculture, these "beautiful ideas" have included a string of projects enthusiastically espoused but with limited success: co-operatives, tractor schemes, village re-grouping, village productivity committees, intensive development zones, and others.

Dependence

Yet it is on vastly increased agricultural development that the intention to reduce the country's dependence on copper rests. President Kaunda has called for an export target of 50 per cent. of current cash agricultural production (1976 marketed agricultural production £91m.).

At present Zambia's agricultural exports (mainly maize and tobacco) account for hardly more than 1 per cent. (£4m.) of total exports.

At the same time agricultural projects are expected to reduce Zambia's serious unemployment. The ILO study "Narrowing the Gaps" put work seekers at 180,000—while paid employment is 365,000, giving a 40-50 per cent. unemployment level.

Rough calculations by the ILO, based on the assumption that the national labour force grows at 3 per cent. annually, suggest that "a steady 4 per cent. urban employment growth rate would require the rural sector to provide productive opportunities for an additional 180,000 people by 1980 and for an additional 525,000 people by 1990." The calculation does not include the current unemployed.

Meanwhile, the conditions of most traditional farmers have probably declined over the past ten years, to the extent that some observers believe that average real incomes and nutritional standards in Zambia's traditional sector may actually *have declined since 1964.*

It is too soon to tell whether the current agricultural project—rural reconstruction camps—will succeed. In theory the scheme is impressive. It was launched in February 1975 at a cost of U.K.£12.4m. a year. The object is to train school leavers "in all skills of rural development."

So far 50 centres have been established, each with 200 settlers." The three year courses are run in military fashion by Zambia National Service and "graduates" will move on to co-operatives. The initial target was 250 centres around the country, which could eventually involve as many as 1m. people—just under a third of Zambia's rural population. A recent modification to the scheme means that the camps themselves will be run as co-operatives with workers sharing in the profits.

It is difficult to obtain production figures, current costs and other information, partly because the military involvement means that secrecy surrounds the project. Indeed, one Lusaka-based foreign press correspondent has been trying unsuccessfully for over a year to get permission to visit the camps. The renewed demand for a "back to the land" programme — participants will apparently include "redeployed civil servants," as well as the unemployed—cannot, it seems, be fulfilled if there is not an element of compulsion. The recent report of the Parliamentary select committee on the economy appears to have recognised this when it recommended that "some form of coercive redeployment compatible with our humanistic requirements be instituted." The only organisation capable of moving and settling people on a large scale is probably the army, which many Zambians could well resent.

Further, even labour-intensive farming requires substantial investment — servicing the camps, providing roads, equipment, fertilisers and a marketing system.

Investment in agriculture in the past has been grossly inadequate. In the five-year Second National Development Plan (SNDP) which ended in 1978 only 7.3 per cent. of investment was envisaged for the rural sector (the third NDP has been postponed, and may be replaced by the three year Emergency Development Plan recommended by the select committee).

Nor did the SNDP meet all its rural targets. The proposed 1976 figure for agricultural advisers, for example, was 1,722 professional, technical and field extension staff. By 1975 the *complement was only 962.*

Equipment

Essential equipment is sometimes lacking. The 542 "extension camps" around the country service areas of between 236 sq. km. and 1,285 sq. km., advising as many as 955 farm families. Yet, notes the ILO, "in 1975 the Government had provided 10 bicycles, five motor cycles and 30 cars."

But the prospects for new investment in agriculture are not good. The parliamentary select committee has urged further cuts in capital investment, including cuts in social services spending, while ongoing capital expenditure has already been cut back: in 1976 the overall allocation was reduced by 35 per cent. to £111m.: and inflation is biting into that.

At the same time Zambia, like other developing countries, is caught by the deterioration in terms of trade and has found it particularly agonising to watch the price of copper plummetting while prices of tractors, other farm equipment and fertilisers have soared. Zambia now has to sell at least five tonnes of copper to buy a tractor which cost 2.5 tonnes five years ago.

This gloomy account does not end here. There are marketing problems and an acute shortage of spares. But, says the minister, there is a silver lining. Zambia has a good infrastructure and an educational system which is capable of producing the skilled personnel required. "In this part of Africa, apart from South Africa, we have the largest concentration of technology. That we do not make ploughs or other farm implements is more a question of lack of organisation and misallocation of priorities than absence of engineering capacity."

And there are agricultural success stories. In some years Zambia has had to import m Now not, only is there a ex of at least 100,000 tonnes, this year's exports were 19 tonnes — with possibly mo come next year. Zambia is self sufficient in sugar; ca production rose to 9m. kg year and by 1979 should ex Zambia's own 12m. kg. requ ment; ground-nut produ rose 29 per cent. to a re level in 1976; produc of oil seeds has increa enormously; while the im of the protein components stockfeeds should cease by —thus saving over £14m foreign exchange. Rice duction is over 25 per cent needs, and tea and coffee put is rising. Wheat is grown, but is still only 3 cent. of consumption.

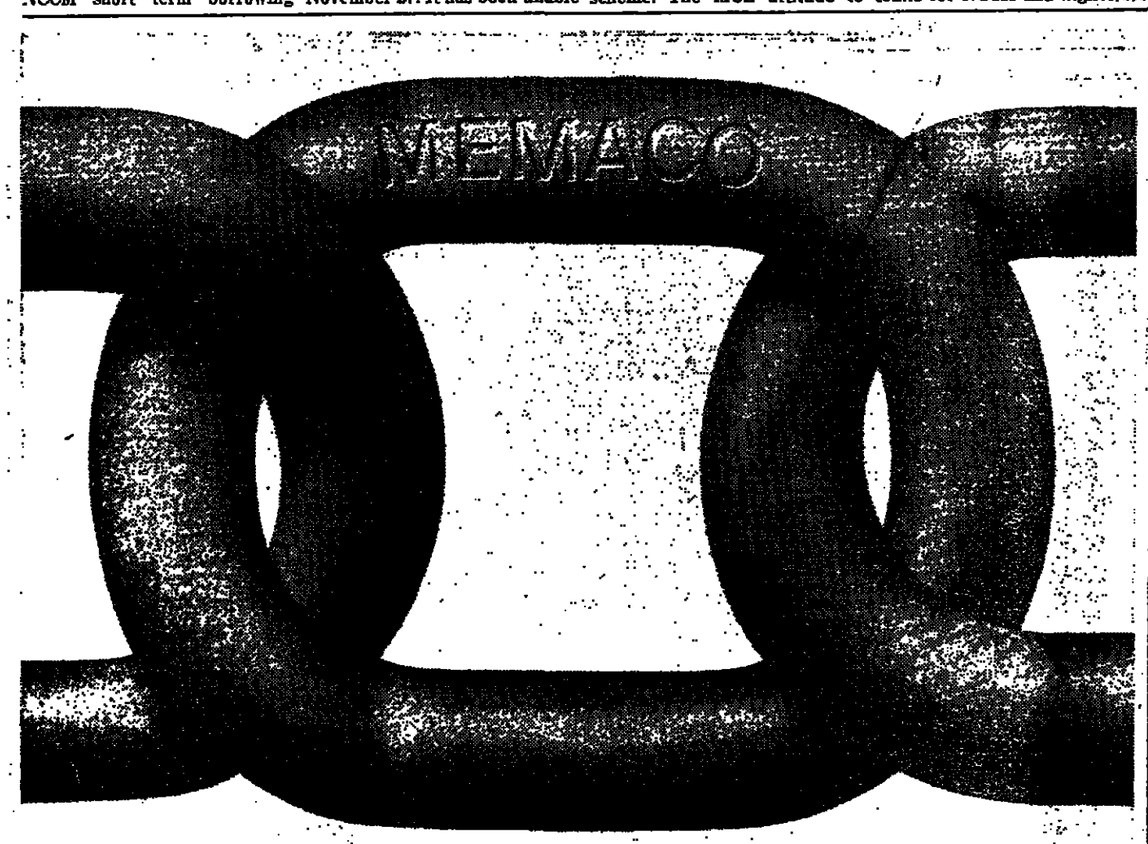
Tobacco continues to appoint. Virginia tobacco put remains stagnant at an 6,000 tonnes (worth £3.6m year, well ahead of maiz £400,000) although the To Board of Zambia believes is a market for 50m. kg. morale among growers is following complaints prices. Indeed, a fo growers' spokesman said industry is now "at its dangerous position since pendence."

The dairy industry declined, and the countr to import 75 per cent. milk (part of a £21m. annual food import bill).

Morale is also low amo country's 370-400 comm farmers, mainly expat They complain of poor —sometimes announced rising input costs, a shortage of spares, and low limit on the amou money they are allowe remit. But they remai essential part of the agricu system. Not only do the duce between 50 and 6 cent. of marketable pr including fruit and vege (though their percentag maize has fallen to arou per cent.) but much of it the urban population. The mercial farmers, too, ca relied upon to produce proportion of annual outp

The commercial farmer expected to take much responsibility for inc agricultural exports.

Let the last—cautiou word, however, be with Minister: "We hope tha bureaucrats in the rel Ministries and parastatal sations have grasped urgency of His Excellency and will act with sensitivity than in the Unless we can induce measure of efficiency noble plans to get things will founder on the rocks



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For land-locked Zambia, the problems of access to sea routes have been intensified by the situation in neighbouring Angola and Rhodesia. Fortunately, the Tanzanian-Zambia Railway has provided a valuable alternative outlet, although some doubts are being voiced about the adequacy of port handling facilities.

Transport links

WELL MWALE, Zambia's ...nienced Minister of Public ...ts and chairman of the ...ngency Transport Planning ...mittee, has several tales to ... of the complex transport ...lems faced by his land-...d country. But one in ...ular illustrates Zambia's ...ity in the face of extra-...ary difficulties and more ...its share of ill luck.

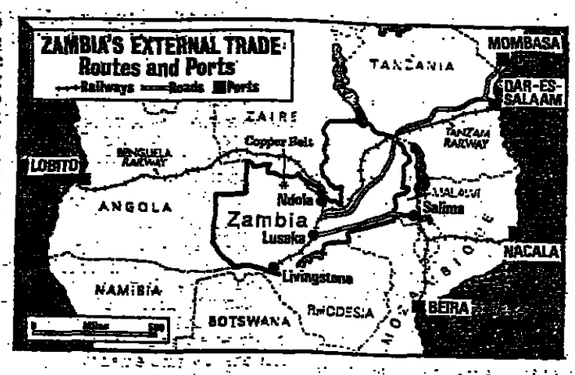
...en the Angolan port of ..., once Zambia's major ...to the sea, was closed in ...st 1975, it left stranded ...tonnes of Zambian cargo, ... six locomotives and 400 ...wagons were held up on ...ne as a result of sabo-...bridges.

...ime, Mr. Mwale arranged ...e six locomotives to be ...d from Lobito around the ... to Dar es Salaam, and ...arrived back in Zambia ...r this year via the Tan-...Zambia Railway. The bulk ...e cargo — some 18,000 ...—was recovered in the ...way. The wagons however ... to be taken back along ...now repaired line and ...ck into service in Zambia.

... the wagons were on ...way only to be halted by ...struction of several rail-...ridges during the short-...insurrection in Zaire's ...province, through which ...e runs. And now Mr. ... is taking part in three-... negotiations over ...n wagons in Zaire, Zam-...wagons in Zaire, and ...wagons in Angola.

... and politics have been ...ing Zambia's supply lines ... Rhodesia's unilateral ...tion of independence in ... Until then, between 80 ... per cent. of external ... was through or with ...ia, and nearly all Zam-...opper and two-thirds of ...ports were carried by ...a Railways.

...sure of the Rhodesian ...n January 1973 left ...dependent on Lobito ...r half her trade. But ... work was well under ...what the Zambians hope ...e lifeline to the sea—...ile Tanzanian-Zambia ... Railway. Fortunately ...ia, by the time Lobito ...ed in August 1975



Tazara was in a position to carry much of the rerouted traffic.

Construction of the £169m. line financed by China and built with the assistance of Chinese engineers and workers, began in 1970. The line became fully operational in the year following the official handover in July 1976.

The result has been dramatic. In 1974, apart from the 45 per cent. of Zambia's total foreign trade which went through Lobito, the Kenyan port of Mombasa carried 9 per cent., Malawi 7 per cent. and Dar es Salaam (using the road link) just under a third. But by the end of 1976 the road and rail service carried three-quarters of Zambia's foreign trade.

Anniversary

The report of the first anniversary of the line's full operation recorded that Tazara had moved 1.22m. tonnes and carried 820,000 passengers. Target for the year ending July, 1978, is 1.6m. tonnes and 1m. passengers. It means that if necessary Tazara alone can handle Zambia's copper exports of around 700,000 tonnes a year. To cope with the extra freight, Tazara plans to raise the number of goods trains per day from four to five pairs.

However, not all Zambian shippers are confident that Dar es Salaam will be able to cope. Authorities there point to new cranes and better berthing facilities, and to a new depot for the Zambian copper industry which should be completed by July, 1978. The depot, covering some 64,000 square metres, will be able to hold more than 60,000 tonnes of copper, zinc, lead and cobalt. Tazara will be able to offload copper directly from the wagons.

Nevertheless one of the major users of Tazara, Nchanga Consolidated Copper Mines struck a cautionary note in its 1977 annual report. Although the port had performed "satisfactorily" in the preceding year (partly due to diminished Zambian imports), its capacity to handle increased volumes of both exports and imports remains "a source of anxiety."

The drop in imports has meant that the efficiency of the line has not been fully put to the test. Until 1976 Zambian imports had exceeded exports. But that year import cuts reduced tonnage to 761,000 tonnes while exports were 902,000 tonnes. Figures for the Dar es Salaam road-rail route for the first nine months of 1977—imports 431,000, exports 544,000—suggest that the change will be maintained in year-end figures.

Bearing out NCCM's concern is the current backlog of cargo at Dar es Salaam: between 80,000 and 100,000 tonnes of wheat, fertiliser and coke destined for Zambia. There is also a shortage of wagons on Tazara, says Haswell Mwale. Existing stock is around 1,600 and a further 2,000 are required. But other factors are involved. Turn-round of wagons is taking at least a month, instead of the 15 days on which the Chinese had calculated the line's capacity.

In addition, cargo agents talk of a shortage of spare parts, particularly springs, and difficulties caused by the incompatibility of the braking system of Tazara and Zambia railways systems (though this is apparently being resolved). In addition, there have been three major accidents on the line since July last year, and for this and other reasons 25 per cent. of Tazara wagons are in workshops for repairs.

News of the tarred road between the two countries (which before it was tarred was the notorious "hell run" carrying Zambia's fuel needs until the Ndola pipeline and refinery was built) is mixed.

Tazara of course accounts for part of the drop in tonnage carried, but the fall was also due to the shortage of spare parts for the Zambia Tanzania Road services' aging fleet of 477 trucks and trailers, half of which are over five years old.

Further, as a result of the deterioration of a 40-mile stretch of the U.S.-built road there is an eight-tonne per axle limitation on loads. Nevertheless, in the first nine months of this year the route carried 262,000 tonnes of Zambia's foreign trade.

After the experiences of the past, Zambia is reluctant to be overly dependent on one port. The Kenyan outlet of Mombasa now handles a mere 2 per cent. of total trade (1974—9 per cent.), but October 1975 saw the opening of a new coastal route.

This is the road from Katete in Eastern Zambia to Tete in Mozambique, and then by rail to Beira via the coal-mining centre of Moatise. Tonnage carried in 1976 was small (93,000 tonnes) because the road which is now being tarred, is often impassable in the rainy season.

The second Mozambique port is Nacala, reached by road-rail route via Malawi, but tonnage declined from 12 per cent. of total in 1976 to 7 per cent.—partly as a result of a spare parts shortage wich affected the road leg.

To the south the all-weather road between Botswana and Zambia can carry up to 400 tonnes daily, but it is currently carrying little traffic.

Meanwhile feasability studies are taking place on projects which could add to Zambia's options, and one of the studies raises the prospects of Zambia once again using Lobito. Zambian and Angolan authorities are investigating a road-rail connection which would avoid Zaire and link the existing road systems by building a 33-mile road from Mwinilunga in North-West Zambia (250 miles from the Copperbelt). This route would then be able to service the Benguela Railway. Also under consideration is a direct rail line from Lusaka to Tete, and a spur from Tazara to link it with Malawi's railway, which in turn leads to Nacala.

Attention

But aspects of the transport system within the country increasingly demand attention. Urban public transport is nearly non-existent. While cars increased by nearly 16,000 between 1970 and 1973, the number of buses rose from 670 to 780—and many of these suffer frequent breakdowns.

At the same time the rate of efficiency of vehicles in parastatal companies—Zambia Road Transport Services, Bulk Carriers Ltd. and Contract Haulage declined. And the agricultural sector, of which so much is expected by Zambia's planners, particularly needs a more effective transport system than the National Agricultural Marketing Board has so far been able to provide.

The challenges of the past involved rerouting of trade on a huge scale. To-day's problems are ensuring the smooth functioning of an infrastructure which has been taking shape since 1965.

M.H.

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CONTINUED FROM PAGE 1

...t is obviously part of the ...m, for although this is a ...ommon to many societies, ...ifficult not to be struck in ... to-day with the gap ...n stated aims and actual ...ements. But the current ...r goes deeper, as Mr. ...nda hinted. "We don't ...ight soul searching to see ...e gone wrong," he said. ...ther attempt to revamp ...siness administration and ...more conducive to effi-...and quick delivery of ... to the people. The ...s that we have a glut ...s and decisions, some of ... with zero rationality ...".

... is in fact a great ...soul searching in Zambia ... both in public and in ... Some of the most fun-...l assumptions on which ...vernment and party and ...the independent state of ... is based are being ...ed. The questioning ...en prompted by the ...e crisis, for while cop-...still king, Zambia was ... against the harder ... and political realities ...ing many other deve-...ries.

...idence

... good years, copper gave ...the money and the con-...embark on a socialist ...with the major acquisi-... government of a ... shareholding in the ...and in many other indus-...commercial concerns ...in the early 1970s. ...owever, it is being ... that state controlled ...s are frequently inefficient ...that they cannot both ...e socially responsible ...ew were under private ...ment and deliver the ...the people and a profit ...ument.

...debate about socialism ...ar aired in Parliament; ... the obstacles to our ...development is align-...ves to socialist econo-...cepts," the MP for ...Mr. Daniel Munkombwe, declared in October. The Government-owned Daily Mail has taken up the debate from a different angle, printing a series of letters questioning the Government's recent and, many believe, half-hearted attempt to encourage private investment. Senior Zambians admit there is a credibility gap here, for the country's leaders still tend to condemn capitalism as "exploitation" akin to "colonialism, neo colonialism, and fascism."

There has also been public debate about the role and effectiveness of UNIP—the United National Independence Party—which has been the country's sole legal party since 1973. Mr. Munkombwe, quoted above, pronounced that the "party is dying" because of "socialist economic concepts." The party is theoretically the vehicle for national unity, for allowing all Zambians to participate in the affairs of the nation, but many Zambians to-day say it is moribund. They claim that party elections in August and September, held to fill party posts at grass roots and intermediate levels, reinforce this view. Full election results have not yet been published. But it appears that in some areas, no more than 20 per cent. of posts were filled, indicating very considerable grass roots apathy. Party returns seem to show that countrywide, most candidates were "elected" unopposed.

The cost of the party and its relationship to government comes under fire too. Twenty-five Central Committee members, all of whom need allowances, cars, housing and the like, appear to duplicate the functions of 29 cabinet ministers, leading some observers to remark that Zambia must be among the most heavily administered countries in Africa. The select committee has advocated what could amount to major reforms in this dual structure.

In the field of foreign affairs, criticism is more muted, perhaps because many Zambians believe that the country had little option in physical or moral terms but to impose sanctions against Rhodesia and help the nationalists fighting for majority rule there. Some Zambians have certainly long held that the country has done too much for Rhodesia, and their numbers may increase as the economic crisis deepens. People now question whether the defence budget—which falls under a secret heading in the annual estimates simply labelled "statutory and constitutional expenditure"—is being well spent. But many Zambians seem to feel that to question President Kaunda's stand on southern Africa is also in some way to express disloyalty both to Zambia and to the President himself—and that genuinely seems to be anathema. Despite the questioning that is going on in Zambia to-day, President Kaunda appears widely respected and esteemed in his own country. One hears even from people who the President has dismissed and who might have reason to be bitter, the sentiment that "KK is the best president we have, or are likely to have."

Questions

Inevitably, however, some of the questions now arising about Zambia's ability to deal with its present crisis centre on the way in which Dr. Kaunda governs Zambia. Few people doubt the President's sincerity in trying to establish a genuinely democratic system, albeit within the confines of a one party state. There is a degree of openness in Zambian society which sets it apart from the majority of African countries; Zambians do not look over their shoulders before criticising the government; there are and never have been large numbers of political detainees (former Vice President Simon Kapwepwe and some 100 of his supporters, detained in 1972, and released a year later, are now back in the party fold).

Yet criticisms of Dr. Kaunda's style of government remain. A central complaint is that the system he heads leads to inefficiency and indecisiveness and, paradoxical though it may seem, to arbitrary and sometimes unwise decisions. The indecisiveness stems from the unweildy structure of government and party: there is no doubt that though the President's aim may have been to decentralise power and decision-making (as well as to balance political appointees) the net effect has often been to paralyse the administration.

This paralysis has often been compounded by the President's propensity to reshuffle even his most senior people, often for no apparent reason. Dr. Kaunda answers that he only reshuffles when he finds an official or Ministers incompetent or corrupt, but many Zambians believe that the Governmental "musical chairs" has undermined continuity in government and created insecurity among its officers. Morale, it is claimed, is low, and is likely to remain so for as long as the system is unchanged.

One reason often advanced for the constant reshuffles—in one year, for example, there were four Ministers of Labour, while few Ministers or permanent secretaries or heads of Government-controlled companies remain in office for as much as 18 months—is that the President feels the need to achieve not only a political but a tribal and regional balance in top posts.

But Dr. Kaunda is also criticised for not trusting those he puts in office. It is claimed that, as a result, in some key areas he is badly advised: that talented people go to waste: and that he is often isolated from the realities of what is actually happening in Zambia.

It is difficult, as one talks to President Kaunda and listens to him define the depth of the current crisis, to believe that he does not fully appreciate those realities. Equally however, there can be little doubt that Zambia is currently on the threshold of its most serious crisis to date, and that consummate political leadership will be needed to pull the country through.

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Incorporated only in 1970, the ZIMCO group is to-day one of the major industrial and commercial undertakings in the world, with assets exceeding £1,086.1 million. The group embraces more than 90 subsidiaries some of which have substantial minority interests, largely held by well-known international companies.

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Plastics
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Sugar Estates
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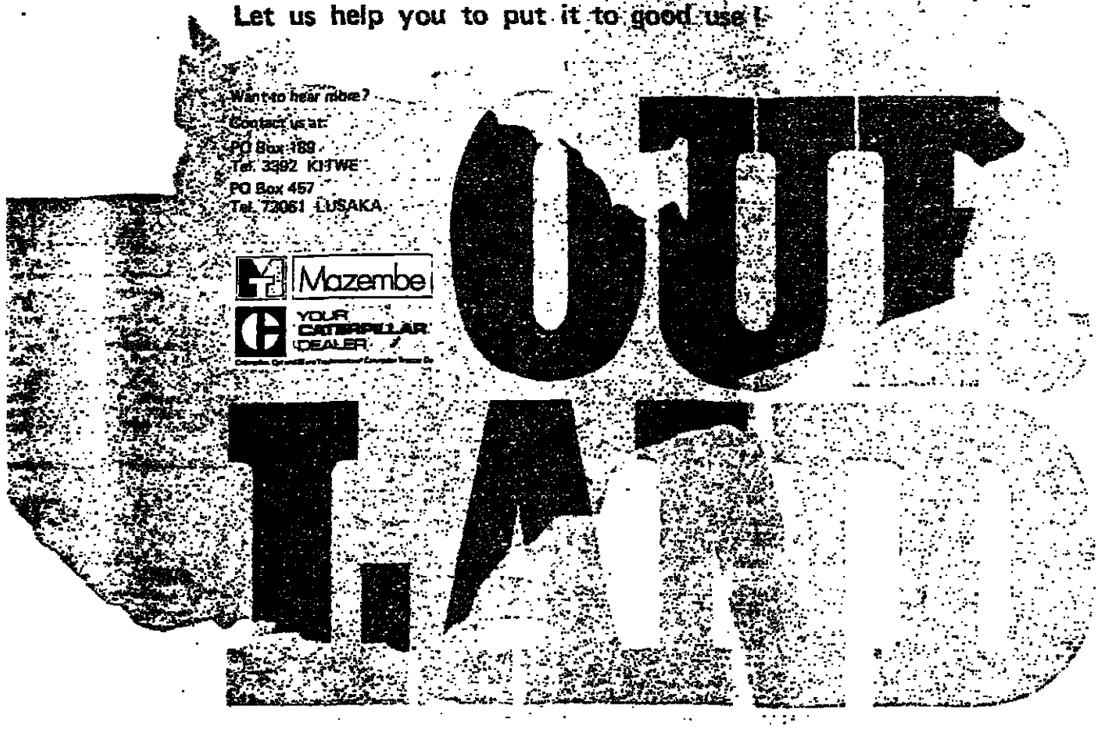


STOCK EXCHANGE REPORT

Gilts up and equities above worst on trade figures

Index down 2.9 at 474.0 after 467.2—Business thin again

Account Dealing Dates

Option *First Dealings	Declarations	Last Dealings	Account Day
Nov. 28	Dec. 8	Dec. 9	Dec. 20
Dec. 12	Dec. 29	Dec. 30	Jan. 11
Jan. 3	Jan. 12	Jan. 13	Jan. 24

* "New time" dealings may take place from 9.30 a.m. two business days earlier.

The current account surplus of £218m. in the November balance of trade bettered most market expectations, and the 3.30 p.m. announcement led to a general all-round improvement in late dealings which left British Funds with gains to ⅜ and leading shares well above the day's lowest.

Down 9.7 at noon and 9.1 at 3 p.m., the FT Industrial Ordinary share index was finally only 2.9 down at the close of 474.0, while the Government Securities index, at 76.31, picked up 0.45 of the previous day's loss of 0.54. As seen in official markings of 4,131, business remained thin.

Professional bear selling set the tone in equities from the start and jobbers were taking evasive action by marking prices lower in the continued absence of buyers: the latter were content to hold off, their doubts about international currencies, the wage round and sluggish industrial production being added to by political uncertainties after the threat posed to the Lib-Lab pact following the overnight rejection by the Commons of proportional representation for elections to the European Assembly.

The thin and sensitive state of markets was quite clearly reflected in the late turnround in the equity leaders which generally ended up to sixpence above the day's lowest. Closing losses rarely exceeded a couple of pence, while several had small net gains. Second-line stocks were overshadowed in the late rally as illustrated in the expansion from 3:2 to 4:1 in the falls: rises ratio in FT-quoted Industrials. Further widespread falls were displayed in the FT-Actuaries indices; the All-share came back another 1 per cent. to 208.29, while the highlighting of the industry's current problems left the Motors and Distributors index with a loss of 2.6 per cent. at 112.64.

Long Gilts rebound

More trade developed in British Funds after the 3.30 p.m. close of business after a quiet 5½ hours of official dealings. The November trade returns triggered the interest and the longer-dated maturities, in particular, overcame Tuesday's uncertainty, renewing the recent advance to close with rises extending to ⅜. Earlier, rumours relating to the pending termination of the Lib-Lab pact had cast a slight shadow over the market, this being most noticeable at the shorter end of the market where losses to ¼ had prevailed before they were replaced by net gains to ⅛ in the after-hours business. Corporations marked time with the exception of a few recently-issued scrips, which improved ¼.

Early dullness following the initial rise in sterling engendered small support for investment currency and the premium briefly touched 94¼ per cent. before drifting back to end near the overnight rate at 93½ per cent. Yesterday's SE conversion factor was 0.7260 (0.7306).

Home Banks continued their gentle downward drift. **Barclays** cheapened 5 more to 315p as did **Lloyds** to 267p and **NatWest** to 265p. **Midland** were 3 easier at 365p. Hire Purchases were dull with **UDT** and **Lloyds and Scottish** both 3 off at 41p and 103p respectively.

Insurances displayed no set trend following a small trade. **London United Investments** did well at 137p, up 5 and **Commercial Union** improved the turn to 141p. Royals, however, gave up 3 to 390p, after 386p. Brokers had casualties in **Alexander Howden**, 5 lower at 171p, and **Willis Faber**, 8 down at 275p after 270p.

Banks down again

Guinness came on offer following preliminary results below market expectations and fell to 181p before recovering to close a net 9 down at 186p. Elsewhere in Breweries, **Vaux** gave up 8 to 352p awaiting to-day's interim figures. The setback in half-yearly profits prompted a sharp reaction in **H.P. Bulmer**, which dipped to 120p before settling at 124p, a fall of 10 on the day. By way of contrast, dealings were resumed in Glenlivet, at 505p, up 40, following the agreed cash offer of 510p per share from Seagram. **Distillers** closed unaltered at 173p, after 171p, in front of to-day's interim results.

Phoenix Timber were a notable casualty in Buildings, closing 13 off at 162p on the first-half profits setback. **International Timber** shed 4 to 108p in sympathy. **Taylor Woodrow** lost 10 to 396p and **Tarmac** 6 to 134p, while **May and Hassell** gave up 5 to 62p with sentiment here still soured by Monday's disappointing interim figures. **Montague L. Myer** touched 72p following the lower mid-way earnings but picked up to close only a penny down on balance at 74p. **Tunnel B.** on the other hand, rose 9 to 267p on renewed speculative support and **George Dew** added 4 more to 144p, for a two-day improvement of 16, still on hopes of early news of the bid discussions taking place with an unnamed concern. **Manders** firmed 4 to 86 and **AP Cement** improved to finish 1 dearer at 256p, after 252p.

The late rally left **ICI** only 3 down at 356p, after 352p. Elsewhere in Chemicals, **Fisons** ended 10 off at 373p and **Hickson and Welch** a similar amount down at 550p.

HTV receded 3 more to 108p among quietly dull Television concerns where **Scottish TV A** closed slightly firmer at 53p; a 21.4 per cent. stake in the latter originally held by Thomson Organisation was placed through the market with various Scottish investors yesterday.

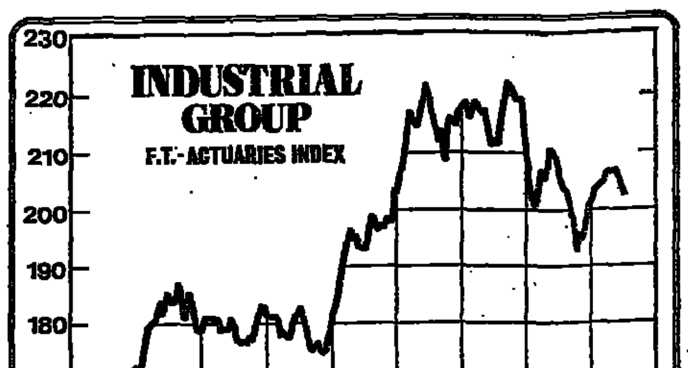
Stores ease

Store leaders were included in the late rally and closed well above the day's lowest. Gussies A, for example, ended only 2 off at 304p after 298p, **Marks and Spencer** 2 easier at 154p, after 151p, and **House of Fraser** 4 off at 134p, after 131p. Secondary issues showed losses between 4 and 7 in **MFI Warehouses**, 106p, **Grattan Warehouses**, 134p, and **Freemans (London)**, 290p.

The Electrical leaders ended the day without much alteration. Following adverse Press mention, **Thorn** eased afresh to 344p before rallying to close unchanged at 350p. **GEC** closed only 2 off at 261p, after 256p. **Cableform**, a good market of late, fell away to 62p following the half-yearly figures, proposed rights issue and dividend forecast before recovering to close only a penny cheaper on balance at 66p. **Laurence Scott** came on offer after the interim results and gave up 6 to 103p, while, in Electronics, **Racal** fell 8 to 192p and **Electrocomponents** 13 to 350p. In contrast, news of the Saudi Arabian telephone contract left **L. M. Ericcson** 2¼ up at £21½ and **Philips Lamp** 25 higher at 880p.

Engineering majors staged a useful rally and closed with only small losses on balance. **GKN** ended 3 off at 272p, after 269p, and **Tubes** a few pence cheaper at 350p, after 346p. Elsewhere, company trading statements provided a fair amount of interest. **Braithwaite** were an outstanding weak spot at 135p, down 22, on the setback in the half-yearly profits. The cautious statement on current trading continued to unsettle **Serck**, down 2 more at 93p, while lower half-year figures prompted a loss of a penny to 38p in **Cronite Group**. Satisfactory annual results left **J. and H. B. Jackson** 2 better at 26p and **A. Lee** a shade harder at 21½p. **Simon Engineering** came on offer at 205p, down 7, along with **Davy International**, 5 cheaper at 229p, after 225p. Falls of 4 were established in **Matthew Hall**, 184p, **Glynwed**, 93p, and **United Wire**, 65p, but **Tex Abrasives** firmed 3 to 30p in front of to-day's interim figures.

Tate and Lyle weakened further to 196p before staging a rally to 200p, down 4 on balance, following news that the company had successfully obtained an injunction against the intended broadcast of last night's television documentary, Working for Britain. Elsewhere in the food sector, **Associated Dairies** gave up 10 to 235p after the interim results, while adverse Press mention left **FMC** 4 cheaper at 70p. **Geo. Bassett** gave up 7 to 141p and **Wheatsheaf** were similarly lower at 164p.



Glaxo lower

The better-than-expected November trade returns caused a late rally in the miscellaneous industrial majors yesterday. Prices picked up quite sharply after-hours and **Beecham** recovered from 658p to close at 667p, a net gain of 2 on the day. **Boots** ended 3 cheaper at 214p, after 211p and **Turner and Newall** were similarly lower at 202p, after 198p. **Glaxo**, however, closed 23 down at 572p, after 568p, following an active trade with sentiment affected by vague talk of allegations concerning one of its products; the group's denial of the reports came well after the official close. **Pilkington Bros.** shed 8 to 475p and **Metal Box** remained on offer at 284p, down 6, while **Reed International** cheapened 3 to 127p. Still disappointed by the dividend forecast which accompanied the proposed rights issue, **LRC** receded 2½ more to 73½p, after 71p, while comment on the interim performance left **Cawoods** down 11 more at 134p. **Elbar Industries** shed 10 to 210p in response to the proposed rights issue and **Smiths Industries** lost 4 more to 153p on further consideration of the chairman's warning of lower first-half profits in the current financial year. **Stag Furniture** were quoted at 89p, up 2, ex scrip to the new 10 per cent. Preference which opened at 99p and closed at 100p. By way of contrast, **ICL** rose 7 to 222p following further assessment of the annual results and **Sutcliffe Speakman** rose 2 to 37p after the higher mid-way earnings. On the return to profitability in the first-half year, **Movitex** hardened a shade to 12½p. Dealings in **Allied Investments**, 47p, were suspended at the company's request pending the outcome of bid discussions taking place with a consortium which includes the National Enterprise Board and Commercial Union. **Dunbee-Combex-Marx** weakened 10 to 134p.

Among the Motor sections, **Lucas** encountered further selling and fell afresh to 258p before settling at 262p for a net fall of 7. **Dowty** were similarly cheaper at 153p, while falls of 4 were recorded in **ERF**, 136p and **Fodens**, 56p. Bright spots included **Hanger Investments**, 2 better at 20p, and **H. and J. Quick**, 3 firmer at 35p.

North Sea-oil orientated stocks were dull among Newspapers. **Thomson** touched 625p before closing 14 down on the day at 631p while **Daily Mail and General A** were 10 off at 305p and Associated 5 lower at 148p. **Associated Book Publishers** lost 8 to 155p but **Independent**, on the other hand, rose that much to a 1977 peak of 113p. Still reflecting the Board's bearish remarks about 1978 prospects, **John Waddington** shed 4 more to 226p in Paper/Printings. **Geers Gross** moved up 3 to 51p.

BP up on U.S. advices

A drab day in Oils was enlivened by a late forward move in **British Petroleum**, following Wall Street advices, which recovered from 846p to close a net 14 higher at 864p. Remaining issues were encouraged by the development and, **Shell**, after being 8 easier, ended only 2 off on balance at 528p. Outside of the leaders the rally was generally confined to a couple of pence, **Ultramar** losing 6 to 222p, while **Tricentrol**, 178p, and **Oil Exploration**, 304p, each shed 4, the last-named after 300p. The more speculative North Sea stocks sustained falls extending to 6, including **Siebens (U.K.)** at 270p, and **Clyde Petroleum**, at 128p.

In common with most other sectors, Property losses were noticeably reduced after the official close and **Land Securities** settled only the turn lower at 206p, after 203p. Similarly, **MEPC** rallied from 117p and were finally a penny harder on balance at 120p. Falls among secondary issues were more frequent. **Haslemere Estates** came back 6 to 232p. **Chesterfield** and **Imry** gave up 5 apiece to 393p and 302p respectively, while **Lynton Holdings**, 114p, and **Bernard Sunley**, 170p, both slipped 4. News of the increased half-yearly revenue failed to comfort either **Warnford Investments**, 6 lower at 272p, or **Property Holding**, 4 easier at 330p, after 227p, but gave **County and District** a small fillip to 82½p, up 1½, after 84p.

Apart from **Caird Dundee**, which fell 3 to 14p on the half-yearly loss, there were again few movements worthy of note in the Textile sector.

Standing nervously at 218p immediately in front of the interim results, **Guthrie** made swift progress in reply to better-than-expected profits and closed 9 higher at 230p. In Teas, **Assam Frontier** fell 7 more to 305p, still reflecting fears that Wrengate's 400p per share offer would be allowed to lapse.

Golds move ahead

Encouraged by the sharp recovery in the bullion price, which was finally $2.50 higher at $160.125 per ounce, and the publication of the latest batch of gold mine dividends—those of the Gold Fields group—South African Golds made headway yesterday after three successive trading days of losses.

Business was also on a higher level than of late. Initially prices were marked up modestly, but as persistent Cape, Continental, U.S. and local interest became evident they pushed ahead to close around the day's best levels leaving the Gold Mines index 2.2 better at 139.6.

Randfontein again featured in the heavyweights with a further ⅞ improvement to £30⅛, while **Western Holdings** put on ⅛ at £13⅞. Against the general trend **West Driefontein** eased ⅛ to £18⅞ following the unchanged interim dividend.

Increased dividend declarations prompted support for **Kloof**, 13 higher at 463p, **Libanon**, 9 better at 470p and **Vlakfontein**, 3½ up at 59½p. The Anglo American Corporation's Transvaal gold mine declarations were not known during market hours.

A strong U.S. demand was reported for **De Beers**, which touched 310p at one point before easing marginally to close 5 to the good at 309p. **Anglo American** rose 4 to 274p.

London-domiciled Financials held steady despite the weakness of U.K. equities. **Gold Fields** hardened 2 to 170p as did **Selection Trust**, 390p.

FINANCIAL TIMES STOCK INDICES

—	Dec. 14	Dec. 13	Dec. 12	Dec. 9	Dec. 8	Dec. 7	A year ago
Government Secs.	76.31	75.86	76.40	76.05	76.18	76.06	[illegible]
Fixed Interest	78.76	78.66	78.65	78.29	77.62	77.58	[illegible]
Industrial Ordinary	474.0	476.9	484.5	485.9	485.2	485.3	[illegible]
Gold Mines	139.6	137.4	138.9	142.4	145.9	145.2	[illegible]
Ord. Div. Yield	5.64	5.60	5.52	5.52	5.56	5.53	[illegible]
Earnings Y'ld%(full)(*)	17.05	16.92	16.69	16.66	16.76	16.72	[illegible]
P/E Ratio (net) (*†)	8.33	8.39	8.51	8.51	8.48	8.49	[illegible]
Dealings marked	4,131	4,513	4,482	4,506	3,954	4,476	[illegible]
Equity turnover £m.	—	54.58	99.11	84.04	78.50	87.60	[illegible]
Equity bargains total	—	11,899	13,308	13,425	12,452	13,611	[illegible]

10 a.m. 472.3. 11 a.m. 469.3. Noon 467.2. 1 p.m. 467.2. 2 p.m. 467.2. 3 p.m. 467.8.
Latest Index 01-246 8026.

* Based on 52 per cent. corporation tax. † Nil=8.27.
Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. 1/7/35. Gold Mines 12/9/55. SE Activity July-Dec. 1942.

HIGHS AND LOWS

—	1977 High	1977 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	79.86 (30/9)	60.45 (4/1)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	80.50 (1/10)	60.49 (4/1)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	549.2 (14/9)	357.6 (12/1)	549.2 (14/9/77)	49.4 (26/6/40)
Gold Mines	174.5 (18/10)	95.1 (1/2)	442.3 (22/5/75)	43.5 (26/10/71)

S.E. ACTIVITY

	Dec. 14	Dec. 13
—Daily		
Gilt-Edged	126.0	[illegible]
Industries	144.7	[illegible]
Speculative	28.5	[illegible]
Totals	94.0	[illegible]
5-day Av'rage		
Gilt-Edged	138.4	[illegible]
Industrials	147.3	[illegible]
Speculative	28.9	[illegible]
Totals	97.4	[illegible]

OPTIONS TRADED

DEALING DATES

First Deal-ings	Last Deal-ings	Last Declara-tion	For Settle-ment
Nov. 22	Dec. 5	Feb. 23	Mar. 7
Dec. 6	Dec. 19	Mar. 9	Mar. 21
Dec. 20	Jan. 10	Mar. 30	Apr. 11

For rate indications see end of Share Information Service.

Stocks to attract money for the call included **BSR, Charterhall, British Petroleum, Grand Metropolitan Warrants, British Land, Britannia Arrow, Spillers, Premier Consolidated Oil, Northern Engineering, Geo. Wimpey, UDT, Plessey, London Brick, Reed International, RTZ, Town and City, ICL, Hammerson "A," J. Lucas, F. H. Lloyd, Royco** and **Burmah Oil. ICI** and **New Throgmorton Capital** were in for the put, while [illegible] options were arranged [illegible] Kwik-Fit, British Land, [illegible] Arrow and Reed Internatio[illegible]

RISES AND FAL[LS] YESTERDAY

	Up	Down	Same
British Funds	51	2	[illegible]
Corpns. Dominion and Foreign Bonds	2	3	[illegible]
Industrials	[illegible]	[illegible]	[illegible]
Financial and Prop.	44	[illegible]	[illegible]
Oils	4	[illegible]	[illegible]
Plantations	7	[illegible]	[illegible]
Mines	40	[illegible]	[illegible]
Recent Issues	9	[illegible]	[illegible]
Totals	[illegible]	[illegible]	[illegible]

NEW HIGHS AND LOWS FOR 1977

The following securities quoted in the Share Information Service yesterday attained new Highs and Lows for 1977.

NEW HIGHS (33)

BANKS (1) Commerzbank
BEERS (1) Glenlivet
BUILDINGS (1) Helical Bar
CHEMICALS (1) Stewart Plastics
STORES (3) Boardman Int. Stanley (A. G.) Home Charm
ENGINEERING (1) Newman Granger
FOODS (1) Robertson Foods
HOTELS (2) Prince of Wales Wheeler's Restaurants
INDUSTRIALS (2) Madame Tussaud's Photo-Me
INSURANCE (1) London United
MOTORS (3) Airflow Streamlines Hanger Invests. Gates (F. G.)
NEWSPAPERS (1) Independent Newsp.
PROPERTY (2) Evans of Leeds Greencoat
SHOES (1) Headlam Sims
SOUTH AFRICANS (1) Edworks
TRUSTS (6) Channel Islands Cap. Home H[illegible] Estate Duties Maledie [illegible] F. & C. Eurotrust Yule Catto
RUBBERS (4) Bradwall Harrisons Chersonese Muar River
MINES (2) Tanjong Berjuntai

NEW LOWS (8)

AMERICANS (1) Gillette
CHEMICALS (4) AKZO Hoechst [illegible] Ball W. W. Yorkshire
ELECTRICALS (1) EMI
TRUSTS (1) Jardine Japan
OVERSEAS TRADERS (1) Australian Agricultural

ENTERTAINMENT GUIDE

CC—These theatres accept certain credit cards by telephone or at the box office

OPERA & BALLET

COLISEUM. Credit cards 01-240 5258. Reservations 01-836 3161. ENGLISH NATIONAL OPERA Tonight 7.30 last perf. of Il Trovatore; Tomorrow 7.30 Dalibor; Sat. & Tue. 7.30 The Magic Flute; Wed. 7.30 Orpheus in the Underworld. 104 Balcony seats always available day of performance.

COVENT GARDEN. CC. 240 1066. (Gardencharge credit cards 836 6903) THE ROYAL OPERA Tonight 7 p.m. & Tues. 7.30 p.m. Maria Stuarda. Tomor. & Mon. 7 p.m. Le nozze di Figaro. THE ROYAL BALLET Sat. 7.30 p.m. The Taming of the Shrew. Wed. 7.30 p.m. The Sleeping Beauty. 65 Amphi' seats for all perfs. on sale from 10 a.m. on day of perf.

SADLER'S WELLS THEATRE. Rosebery Ave., EC1. 837 1672. Evgs. 7.30 Mats. Sats. & Dec. 27, Jan. 4 & 5, 2.30. D'OYLY CARTE OPERA CO. Tonight, Tomorrow & Sat. PATIENCE: Mon., Tue. & Wed. THE PIRATES OF PENZANCE.

T[illegible]RES

ADELPHI THEA[illegible] 01-836 7611. Evgs. 7.30. M[illegible]hurs. 3.0. Sats. 4.0. Extra Mat[illegible] Boxing Day 3.0. "LONDON['S B]EST NIGHT OUT. SPECTACLE [CA]PTIVATING TUNES AND RACY [CO]MEDY." S. People. IRENE THE MUSICAL MUSICAL. "SLICK, SUMPTUOUS—IRENE HAS EVERYTHING." Daily Express IRENE INSTANT CONFIRMED CREDIT CARD BOOKINGS ON 01-836 7611.

ALBERY. CC. 836 3878. Evenings 8.0. Mat. Today 3.00. Sats. 5.30 and 8.30. DEBORAH KERR DENIS QUILLEY "TWO MASTERLY PERFORMANCES." Bernard Levin, Sunday Times. CANDIDA by Bernard Shaw "IMPOSSIBLE NOT TO SUCCUMB TO CANDIDA'S SPELL." Daily Mail. Directed by Michael Blakemore. Credit card bookings 836 3962 (ex. Sat.) LAST 5 PERFS.

ALBERY. 836 3878. From Dec. 21. Evgs. 7.45. Thurs Mat. 4.30. Sat. 4.30 and 8 THE MAGICAL MUSICAL OLIVER! with ROY HUDD and Joan Turner. Some seats avail for certain performances December-January NOW BOOKING THROUGH 1978.

ALDWYCH. 836 6404. Inf. 836 5332. ROYAL SHAKESPEARE COMPANY in repertoire. Tonight 7.30 Ben Jonson's THE ALCHEMIST. "The funniest Jonson I have seen." Observer. With: THE COMEDY OF ERRORS (Tomor. 7.30, Sat. 2.00 & 7.30). RSC also at THE WAREHOUSE (see under W) and at Piccadilly and Savoy Theatres.

AMBASSADORS. CC. 836 1171. Eves. 8. Tue. 2.45 Sat 5.30, 8.30, Dec. 26 at 5. Hilarious Whodunit Musical SOMETHING'S AFOOT "Infusing the theatre with unalloyed joy. High-octane hilarity . . . PERFECT FAMILY SHOW." S. Exp. "Enormous gaiety. I loved every daft minute of it."

APOLLO. 01-437 2663. Evgs 8.0. Mats. Thurs 3.0 Sat 5.0 and 8.0. "DONALD SINDEN IS SUPERB." NoW. SHUT YOUR EYES AND THINK OF ENGLAND "WICKEDLY FUNNY." Times. "GREAT ENTERTAINMENT." NoW.

ASTORIA, Charing X Road. 01-734 4291. Nearest Tube Tottenham Court Rd. Mon.-Thurs. 8.00. Fri. and Sat. 6.00 and 8.45. Xmas perfs.: Dec. 24, 6.00 and 8.45. Dec. 26 and Jan. 2, 3.00 and 8.00. "ELVIS" THE STAGE SPECTACULAR

CAMBRIDGE. CC. 01-836 6506. Mon. to Thursday at 8.0 Fri. Sat. 5.45. 8.30. IPI TOMBI "PULSATING MUSICAL." Evg News. THIRD GREAT YEAR Seat prices £1.50 to £4.50. Dinner and top-price seat £7.75 inclusive. IPI TOMBI CHRISTMAS SHOWS Dec 26, 27, Jan. 2 at 5.45 and 8.30. Reduced prices for children at 5.45 perfs. on these days.

CAMBRIDGE THEATRE. 01-836 7040. Richard Goolden Ian Talbot in TOAD OF TOAD HALL Matinee December 19 to January 14. BOOK NOW

COMEDY. 01-930 2578. Evenings 8.00. Sats. and Dec. 26, 5.30 and 8.30. Mats. Thur 3.0 (Ex. Dec. 29) Winner of all 1975 Awards Best Play of the Year Hywell BENNETT in Simon GRAY'S OTHERWISE ENGAGED Directed by Harold Pinter

CRITERION. CC. 01-836 3216. Evenings 8. Sat. 5.30. 8.30. Thurs. 3.00. LESLIE PHILLIPS "Impeccable . . . a master." Sun. Times. in SEXTET "HILARIOUSLY FUNNY." N. of World.

DRURY LANE. 01-836 8108. Every night 8.00 sharp. Matinee Wed. and Sat. 3.00 (no Matinee Dec. 24). A CHORUS LINE "VOTED BEST MUSICAL OF 1976."

DUCHESS. 836 8243. Mon. to Thur. Evgs. 8.0. Fri. and Sat. 6.15 and 9.0. (No. perf. Dec. 24) OH! CALCUTTA! "[illegible] Nudity is Stunning." D. Telegraph. 8th SENSATIONAL YEAR

THEATRES

DUKE OF YORK'S. CC. 01-836 5122. Evgs. 8.0. Sat. 5.30. 8.30. Wed. Mat. 3. ARTHUR LOWE LABURNUM GROVE by J. B. Priestley "AN IMPECCABLE PRODUCTION." S.T.

ELLE et LUI. CC. 01-437 2661. Walker's Court, Brewer Street, W.1. Twice Nightly 8.15 and 10.15. PAUL RAYMOND presents PENETRATION An erotic adventure in French pornography. "Good-looking men and women perform various permutations of the sexual act." Evening News. You may drink and smoke in the auditorium.

FORTUNE. 836 2238. Evenings 8. Thurs. 3. Sat. & Dec. 26 & 27 at 5. 8. Muriel Pavlow as MISS MARPLE in AGATHA CHRISTIE'S MURDER AT THE VICARAGE Third Great Year.

GARRICK THEATRE. 01-836 4601. Ev. 8.0 Wd. Mat. 3.0. Sat. 5.15 and 8.30. MAGGIE FITZGIBBON, JILL MARTIN, DAVID FIRTH and ROBIN RAY in the "BRILLIANT MUSICAL ENTERTAINMENT." People. SIDE BY SIDE BY SONDHEIM "GO TWICE." S. Morley. Punch. "GO THREE TIMES." S. Barnes. NYT.

GLOBE. CC. 01-437 1592. Evenings 8.15. Sats. and Dec. 26 6.0 and 8.40. Mat. Wed. 3.0 (Ex. Dec. 28) PAUL EDDINGTON, AMANDA BARRIE in the SECOND YEAR of DONKEY'S YEARS by MICHAEL FRAYN THE BEST COMEDY OF THE YEAR

GREENWICH THEATRE. 858 7755. Evgs. 7.30. Mat. Sat. 2.30. PINCH-ME-NOT. A New Comedy by Richard O'Keeffe.

HAYMARKET. 01-930 9832 Evgs. 7.45 Wed. 2.30. Sat. 4.30 & 8.15. CLAIRE BLOOM DANIEL MASSEY MICHAEL ALDRIDGE in ROSMERSHOLM DIRECTED BY CLIFFORD WILLIAMS. "A MURDER PLAY MORE EXCITING THAN ANY BY AGATHA CHRISTIE." J. Barber, D. Telegraph. FOR LIMITED SEASON

HAYMARKET. 930 9832. Previews Jan. 24 (Charity) and Jan. 25. Opens Jan. 26, 7.0. Subs. evgs. 8.0. Mat. Wed. 2.30. Sat. 5.0 and 8.15. INGRID BERGMAN WENDY HILLIER Dandy Nichols, Derek Godfrey, Frances Cuka in WATERS OF THE MOON by N. C. Hunter. NOW BOOKING

HAYMARKET. 930 9832. Previews Jan. 24 (Charity) and Jan. 25. Opens Jan. 26, 7.0. Subs. evgs. 8.0. Mat. Wed. 2.30. Sat. 5.0 and 8.15. INGRID BERGMAN WENDY HILLIER Dandy NICHOLS Derek GODFREY Frances CUKA in WATERS OF THE MOON by N. C. Hunter. NOW BOOKING

HER MAJESTY'S. 01-930 6606. Evgs. 8.0. Wed. and Sat. 3.0 and 8.0. GLYNIS JOHNS LEE MONTAGUE HELLEN LINDSAY in TERENCE RATTIGAN'S CAUSE CELEBRE "RATTIGAN REVEALS HIS MASTERY." S.T. "A powerful drama." E.N. "GLYNIS JOHNS plays brilliantly." D.T.

KING'S ROAD THEATRE. 352 7488. Mon. to Thur 9.0. Fri., Sat. 7.30, 9.30 (no perf. Dec. 24). THE ROCKY HORROR SHOW NOW IN ITS 5th ROCKING YEAR.

LONDON CASINO. 437 6877 From Wed. until January 14. Daily 2.15 and 7.30. SUSANNAH YORK RON MOODY PETER PAN Book now £4, £3, £2.50, £1.50.

LONDON PALLADIUM. 01-437 7373. Perfs. daily at 2.45 and 7.30. TOMMY STEELE SALLY ANN HOWES and ANTHONY VALENTINE in The Fairy Tale Musical HANS ANDERSEN BOOK NOW: Theatre and Agents.

LONDON PALLADIUM. 01-437 7373. OPENING MAY 25 FOR A SUMMER SEASON THE TWO RONNIES BOOK NOW Theatre and Agents.

LYRIC THEATRE. 01-437 3686. Evs. 8.0. Mats. Thurs. 3.0. Sat. 5.0 and 8.30. JOAN PLOWRIGHT COLIN BLAKELY and Patricia Hayes in FILUMENA Directed by FRANCO ZEFFERELLI. "TOTAL TRIUMPH." Evg. News. "AN EVENT TO TREASURE." D. Mir. "MAY IT FILL THE LYRIC FOR A HUNDRED YEARS." Sunday Times.

MAYFAIR. 01-629 3036. THE MAGIC MAN Marvellous Magical Musical Stupendous Illusions! Mon.-Thurs. 8.00. Fri.-Sat. 6.15 and 8.30 into 1978. Book now.

MAYFAIR. 01-493 2031. From Dec. 19. 10.30, 2.00 and 4.00. BOOK NOW SOOTY'S CHRISTMAS SHOW

THEATRES

MERMAID. 248 7656. Restaurants 248 2835. Last 3 days. Eves. 8.0. Mats. Sat. 5.0. LEONARD ROSSITER as THE IMMORTAL HAYDON "Passionate . . . funny . . . endearing . . . immense." Sun. Tel. and Sun. Times. "Brilliant." Guardian. Stalls tickets £1.25-£3.50. Combined Dinner-Theatre ticket £5.95. Perfs. from Dec. 22. GALA FIRST NIGHT DEC. 27 at 8.0 Mickey Dolenz, Davy Jones in Harry Nilssons THE POINT

NATIONAL THEATRE. 928 2252. OLIVIER (open stage): Today 2.30 (red. pr. mat.) & 7.30 THE PLOUGH AND THE STARS by Sean O'Casey. Tomor. 7.30 Volpone. LYTTELTON (proscenium stage): Ton't & Tomor. 7.45 BEDROOM FARCE by Alan Ayckbourn. Tomor. 10.30am & 2pm Sir Gawain and the Green Knight. COTTESLOE (small auditorium): Today 3 & 8 HALF-LIFE by Julian Mitchell. Many excellent cheap seats all 3 theatres day of perf. Standby reductions now avail everyone, ring 633 0880 for details. Car park. Restaurant 928 2033. Credit card bkgs. 928 3052.

NEW LONDON. Drury Lane. 405 0072. International spectacular with the magical ingredients of Theatre, Cabaret & Circus SURPRISE! SURPRISE! From Monday Next 2.30 & 7.30. Sats. 2.0, 5.0 & 8.0. £1.50-£3.50. REDUCED PRICES FOR CHILDREN

OLD VIC. 01-928 7616. Prospect at the Old Vic. Autumn Season opens Dec. 17, HAMLET 7.30. Some seats held for sale on night. Christmas mats. for children. GINGERBREAD MAN Dec. 13-Jan. 7. Today 10.15 a.m. and 2.00 p.m. sold out.

OPEN SPACE THEATRE. 01-387 6969. Tuesday-Sunday Evgs. at 8.30. CENSORED SCENES FROM KING KONG "Monstrously enjoyable." Times.

PALACE. 01-437 6834. JESUS CHRIST SUPERSTAR Mon.-Thurs. 8.00. Fri. at 6.00 and 8.40. XMAS WEEK: Dec. 19-21 6.00 and 8.40. Dec. 22 8.00, Dec. 23 8.40. No perfs. 24 and 25.

PHOENIX. 01-836 8611. Evgs. 8.0. Mat. Wed. 3.0. Sat. perfs. 4.30 and 8.00. KEITH MICHELL PENELOPE KEITH NIGEL STOCK JUNE JAGO PAUL HARDWICK in the Chichester Festival Theatre's production of THE APPLE CART by Bernard Shaw. "Outstanding revival of buoyant Shaw." Daily Telegraph Directed by PATRICK GARLAND LIMITED SEASON

PICCADILLY. 437 4606. Credit Card bkg. 836 3952 (ex. Sat.). Mon. to Fri. 8. Sat. 5.15, 8.30, Wed. 3.00, Dec. 26 and Jan. 2 at 4 & 8. No perfs. Dec. 23 & 24. ROYAL SHAKESPEARE COMPANY in RAUCOUSLY FUNNY 18th-century comedy WILD OATS "I Enough fun to please entire families, rare and welcome thing." Times. "PURE GOLD." Sun. Times. RSC also at Aldwych and Savoy Theatres.

PRINCE OF WALES. 01-930 8681. Mon. to Fri. 8. Sats. 5.30 and 8.45. Mats. Thursday at 3.00. Extra Matinee Boxing Day 3.0. "THE STAGE IS AGLOW" Daily Telegraph RICHARD BEKINSALE in I LOVE MY WIFE "HILARIOUS COMEDY MUSICAL." Sun. Directed by Gene Saks with "Bountiful invention and wit." Financial Times. INSTANT CONFIRMED CREDIT CARD BOOKINGS ON 01-930 0846.

QUEEN'S THEATRE. 01-734 1166. Evgs. 8.00. Sat. 5 and 8.30. Mat. Wed. 3 ALEC GUINNESS in THE OLD COUNTRY A new play by Alan Bennett Directed by CLIFFORD WILLIAMS "One of the most notable theatrical events in this country for a good many years." B. Levin. Sun. Times.

RAYMOND REVUEBAR. CC 01-737 1593 At 7 p.m., 9 p.m., 11 p.m. (opens Suns.) PAUL RAYMOND presents THE FESTIVAL OF EROTICA Fully AIR CONDITIONED. You may drink and smoke in the auditorium.

REGENT. 01-637 9862-3. Opens today at 7.00. M., T., W. & F. 8.00. Thurs. & Sat. 6.15 and 8.45. SEXUAL PERVERSITY IN CHICAGO and DUCK VARIATIONS by David Mamet The talk is dirty, the people are nice . . . You will have a good time. NY Dly. News. Student Stand-by Tickets available after 7.30 p.m. £1.00.

ROUNDHOUSE. 267 2564. Ton't. 7.00. Tomor. & Sat. 7.30. Subs. eves. 8.00. ACTORS COMPANY in THE IMPORTANCE OF BEING ERNEST by Oscar Wilde.

CINEMAS TO-DAY APPEAR ON PAGE 4

RECENT ISSUES

EQUITIES

Issue Price p	Amount Paid up	Latest Renunc. Date	1977 High	1977 Low	Stock	Closing Price p	+ or −	Div. P. or Amount	Times covered	Gross Yield	P.E. Ratio
ǁ	F.P.	—	385	352	ERGO (RO.50)	385	+5	F25c	—	4.5	—
104	F.P.	—	113	109	Farmer (S.W.)	113	+1	b7.68	2.3	10.2	6.4
§53	F.P.	—	63	57	Holden (A)	62	—	b5.3	3.6	8.1	8.2
58	25p	27/1	26½	26	I.M.I. 25p pd	26	−½	g5.2	2.7	9.4	5.7

FIXED INTEREST STOCKS

Issue Price	Amount Paid up	Latest Renunc. Date	1977 High	1977 Low	Stock	Closing price	+ or −
£100	F.P.	—	100⅛	99⅛	Agric. Mort. Var. Rate 1982	99⅞	—
£98½	£50	3/2	52	49½	Bath (City of) 11¼% Red. 1985	51¾	+¼
£100	F.P.	25/11	108	105	Brit. Land 15% 1st Deb. 1987	107¼	−¼
£98½	F.P.	4/11	110¼	100	Bristol 14% Red. 1985	109½	+¼
£97¼	F.P.	—	100	97⅝	Do. Variable Rate 1982	99½	—
£100	F.P.	—	100	99½	Buckingham Var. '82	99½	—
£100	£50	26/1	52	47¼	Cardiff City Council 11% Red. 1986	49¼	+¼
£100	F.P.	—	90	90	Central & Sheerwood 10% Uns. Ln. 1981	90	—
£99	£10	—	9¾	7½	Grampian Reg. Council 10⅛% 1980	8½	—
£100	F.P.	—	99	98½	Hounslow Var. Rate Red. 1982	98½	—
£96	£3	16/12	31¼	29¾	Ind. & Comm. Fin. 10⅛% Ln. '86	30½	—
£95	£3	16/12	31¼	30	Do. 11% Ln. '88	31	—
£96	£3	16/12	33¾	30¾	Do. 11⅜% Ln. '90	33¾	—
£100	£10	—	13⅝	11¼	Kensington & Chelsea 11⅝% Red. '86-87	13¼	—
£100	F.P.	—	100⅛	99⅞	Do. Var. Rate Red. '82	£100⅛	—
£100	—	—	100	99½	Leeds (City of) Float Rate '82	100	—
£100	F.P.	25/11	118¼	108	Low & Bonar 12¼% Cnv. Uns. Ln. 1982	112	—
††£99	£10	—	12½	11½	Mid.Kent Water 7% Red. 1982	12½	—
$99½	F.P.	—	$98⅝	$98⅛	Norsk Hydro 7⅝% Notes 1982	$98¼	—
—	F.P.	28/10	110p	101p	Paterson Zochonis 10% Cum. Pref.	107p	—
£98½	£50	3/2	52	49½	St. Helens (Met. Borough of) 11¼% Red. 1986	51¾	+¼
£99½	F.P.	6/1	105¼	98	Southwark 11½ Red. 1984-85	100¼	+½
—	F.P.	—	100p	99p	Stag Furniture 10% Cum. Pref.	100	—
£100	F.P.	—	100⅛	99¾	Strathclyde Var. Rate 1982	99¾	—
—	F.P.	—	107p	105½p	York Trailer 10% Pref.	106p	—

"RIGHTS" OFFERS

Issue Price pt	Amount paid up	Latest Renunc. Dates *	Latest Renunc. Dates †	1977 High	1977 Low	Stock	Closing Prices pt	+ or −
225	F.P.	4/11	14/12	249	226	Autwest	240	—
114	F.P.	—	—	149	123	Allied Irish Banks	147	−2
90	F.P.	18/11	16/12	114	98	ATV A	98	−2
83	F.P.	2/12	13/1	114	100	Barratt Development	114	—
29	nil	—	—	6pm	3½pm	Bridport-Gundry	3½pm	−½
130	F.P.	9/12	5/1	146	132	Commercial Union	140	−2
155	F.P.	25/11	6/1	181	155½	Cons. Gold Fields	170	+5
200	F.P.	29/11	13/12	257	225	Coral Leisure	253	—
520	F.P.	29/11	13/1	570	526	De La Rue	526	−18
Dm200	nil	—	—	250	200	Deutsche Bank	210	—
50	F.P.	2/12	6/1	64	57	East Midland Allied Press A	64	+1
80	nil	—	—	7½pm	4pm	Johnson Firth Brown	4pm	−1
210	F.P.	25/11	6/1	240	210	Kwik Save Discount	232	−5
47	F.P.	18/11	30/12	71	60	Newman Inds.	65	−2½
17½	nil	—	—	8½pm	4pm	Pawson W. L.	8½pm	—
70	nil	—	—	20pm	14pm	Record Ridgeway	14pm	—
148	F.P.	3/11	6/12	161	146	Utd. Biscuit	150	—
165	F.P.	12/12	13/1	270	257	Utd. Scientific	266	−4
30	nil	—	—	8pm	6pm	Williams (J) (Cardiff)	6pm	−2

Renunciation date usually last day for dealing free of stamp duty. § Placing price to public. b Figures based on prospectus estimate. g Assumed dividend and yield. pt Pence unless otherwise indicated. u Forecast dividend: cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimates for 1979. Q Gross. T Figures assumed. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. ‡ Issued by tender. ǁ Offered to holders of Ordinary shares as a "rights." ** Rights by way of capitalisation. †† Minimum tender price. §§ Reintroduced. ¶¶ Issued in connection with reorganisation merger or take-over. ǁǁ Introduction. □ Issued to former Preference holders. ■ Allotment letters (or fully-paid). ● Provisional or partly-paid allotment letters. ★ With warrants.

ACTIVE STOCKS

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1977 high	1977 low
Glaxo	50p	12	572	−23	667	401
ICI	£1	11	356	− 3	446	325
BP	£1	10	864	+14	966	776
Shell Transport	25p	10	528	− 2	635	454
Thorn Elect.	25p	10	350	—	448	196
Distillers	50p	9	173	—	193	120
GUS "A"	25p	9	304	− 2	347	176
Assoc. Dairies	25p	8	235	−10	295	141
GEC	25p	8	261	− 2	284	163
Grand Met.	50p	8	99	—	106	62
ICL	£1	8	222	+ 7	252	148
Plessey	50p	8	94	− 1	117	62
Reed Intl.	£1	8	127	− 3	233	118
Turner & Newall	£1	8	202	− 3	252	130
BATs Defd.	25p	7	230	− 2	260	202

FT—ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Act[uaries] and the Faculty of Actuaries

	EQUITY GROUPS — GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Wed., Dec. 14, 1977 Index No.	Day's Change %	Est. Earnings Yield% (Max.) Corp. Tax 52%	Gross Div. Yield% (ACT at 34%)	Est. P/E Ratio (Net) Corp. Tax 52%	Tues. Dec. 13 Index No.	Mon. Dec. 12 Index No.	Fri. Dec. 9 Index No.	Thurs. Dec. 8 Index No.
1	CAPITAL GOODS (173)	201.07	−1.2	17.56	5.79	8.06	203.56	205.43	204.94	[illegible]
2	Building Materials (26)	183.92	−1.4	16.73	5.93	8.48	186.48	187.91	186.72	[illegible]
3	Contracting, Construction (26)	322.09	−1.7	17.98	3.93	8.09	327.60	328.22	325.19	[illegible]
4	Electricals (15)	438.49	−0.8	15.00	3.96	9.68	442.19	447.85	447.49	[illegible]
5	Engineering (Heavy) (9)	283.62	−1.7	20.61	6.41	6.52	288.67	292.26	289.67	[illegible]
6	Engineering (General) (67)	156.33	−1.2	19.19	7.14	7.34	158.23	159.85	160.13	[illegible]
7	Machine and Other Tools (8)	110.74	−0.5	21.57	5.94	6.75	111.31	111.65	111.56	[illegible]
8	Miscellaneous (20)	155.27	−1.5	18.81	7.98	7.08	157.69	158.61	158.88	[illegible]
	CONSUMER GOODS									
11	(DURABLE) (52)	184.89	−1.8	17.58	4.90	8.30	188.23	190.27	192.33	[illegible]
12	Lt. Electronics, Radio TV (15)	220.30	−1.5	15.72	3.71	9.18	223.58	225.91	230.11	[illegible]
13	Household Goods (12)	179.74	−0.4	17.34	6.73	7.88	180.43	180.84	178.64	[illegible]
14	Motors and Distributors (35)	112.64	−2.6	20.66	6.35	7.26	115.60	117.40	117.80	[illegible]
	CONSUMER GOODS									
21	(NON-DURABLE) (173)	196.91	−1.1	15.42	5.60	9.39	199.15	201.55	201.93	[illegible]
22	Breweries (14)	230.49	−1.1	13.84	5.54	10.87	233.08	234.59	235.02	[illegible]
23	Wines and Spirits (6)	239.32	+0.3	14.76	5.28	10.41	238.58	243.08	242.38	[illegible]
24	Entertainment, Catering (17)	244.26	−0.7	14.74	7.05	10.35	245.95	249.65	249.21	[illegible]
25	Food Manufacturing (22)	197.37	−0.8	20.23	5.38	7.11	198.89	201.59	201.65	[illegible]
26	Food Retailing (16)	201.02	−2.5	13.32	4.44	10.92	206.14	208.63	207.85	[illegible]
32	Newspapers, Publishing (14)	328.64	−1.8	9.88	3.73	15.22	334.62	335.88	334.79	[illegible]
33	Packaging and Paper (13)	122.45	−2.2	21.66	7.70	6.71	125.27	127.28	127.46	[illegible]
34	Stores (37)	187.71	−1.3	10.31	4.23	15.28	190.18	192.85	193.92	[illegible]
35	Textiles (25)	166.57	−0.9	20.86	7.94	6.08	168.04	170.18	169.79	[illegible]
36	Tobaccos (3)	218.37	−0.9	22.12	8.25	6.03	220.45	221.64	223.12	[illegible]
37	Toys and Games (6)	96.82	−3.8	21.32	6.14	6.27	100.63	102.00	102.29	[illegible]
41	OTHER GROUPS (98)	189.59	−1.2	16.42	5.93	8.36	191.96	193.92	192.82	[illegible]
42	Chemicals (27)	258.87	−1.1	15.67	5.42	8.82	261.70	264.76	263.29	[illegible]
44	Office Equipment (6)	122.44	−1.4	18.59	4.69	7.17	124.21	125.30	123.15	[illegible]
45	Shipping (10)	453.85	−0.8	21.70	6.45	5.46	457.67	464.13	467.46	[illegible]
46	Miscellaneous (55)	197.08	−1.5	16.12	6.89	8.86	200.15	201.59	200.51	[illegible]
49	INDUSTRIAL GROUP (496)	201.98	−1.2	16.34	5.68	8.69	204.49	206.69	206.59	[illegible]
51	Oils (4)	479.56	+0.7	14.51	4.08	8.38	476.42	482.22	486.97	[illegible]
59	500 SHARE INDEX	224.92	−0.9	16.06	5.43	8.64	227.04	229.54	229.79	[illegible]
61	FINANCIAL GROUP (100)	164.64	−1.2	—	5.31	—	166.59	168.24	167.88	[illegible]
62	Banks (6)	183.99	−1.6	26.45	5.54	5.77	186.91	189.49	190.92	[illegible]
63	Discount Houses (10)	205.94	−0.8	—	8.02	—	207.67	208.68	204.53	[illegible]
64	Hire Purchase (5)	159.96	−3.1	10.70	4.72	13.89	165.11	165.10	163.08	[illegible]
65	Insurance (Life) (10)	136.20	−2.3	—	6.08	—	139.35	140.17	139.98	[illegible]
66	Insurance (Composite) (7)	132.42	−0.3	—	6.08	—	132.76	134.25	133.41	[illegible]
67	Insurance Brokers (10)	331.65	−1.4	12.81	4.11	11.44	336.51	336.43	335.86	[illegible]
68	Merchant Banks (14)	80.94	−1.6	—	5.79	—	82.27	82.55	82.76	[illegible]
69	Property (31)	228.98	−0.7	2.95	2.98	64.29	230.70	234.17	231.56	[illegible]
70	Miscellaneous (7)	104.94	−1.4	22.78	7.51	6.12	106.48	106.55	107.81	[illegible]
71	Investment Trusts (50)	203.47	−1.2	2.95	4.46	33.93	205.98	205.85	204.76	[illegible]
81	Mining Finance (4)	88.79	+0.3	17.56	6.60	6.63	88.56	87.67	87.55	[illegible]
91	Overseas Traders (19)	276.09	−1.4	16.25	6.85	8.11	279.92	280.22	279.92	[illegible]
99	ALL-SHARE INDEX (673)	208.29	−1.0	—	5.41	—	210.35	212.58	212.41	[illegible]

FIXED INTEREST PRICE INDICES

	British Government	Wed. Dec. 14	Day's change %	xd adj. To-day	xd adj. 1977 to date
1	Under 5 years	108.27	+0.04	—	8.86
2	5-15 years	122.74	+0.68	—	9.59
3	Over 15 years	131.15	+0.74	—	12.47
4	Irredeemables	144.05	+0.67	—	13.54
5	All stocks	119.89	+0.45	—	10.45

FIXED INTEREST YIELDS — Br. Govt. Av. Gross Red.

			Wed. Dec. 14	Tues. Dec. 13
1	Low Coupons	5 years	7.29	[illegible]
2		15 years	9.47	[illegible]
3		25 years	10.15	[illegible]
4	Medium Coupons	5 years	9.76	[illegible]
5		15 years	10.47	[illegible]
6		25 years	10.62	[illegible]
7	High Coupons	5 years	10.19	[illegible]
8		15 years	11.46	[illegible]
9		25 years	11.52	[illegible]
10	Irredeemables		11.52	[illegible]

		Wed., Dec. 14 Index No.	Wed., Dec. 14 Yield %	Tuesday Dec. 13	Monday Dec. 12	Friday Dec. 9	Thurs. Dec. 8	Wed. Dec. 7	Tuesday Dec. 6
15	20-yr. Red. Deb. & Loans (15)	61.93	†11.99	61.92	61.58	61.54	61.47	61.87	61.47
16	Investment Trust Prefs. (15)	55.44	12.84	55.49	55.54	55.70	55.70	55.70	55.65
17	Coml. and Indl. Prefs. (20)	77.27	11.76	77.30	77.59	77.33	77.26	77.25	77.07

† Redemption yield. Highs and lows record base dates and values and constituent changes are published in [illegible] A list of the constituents is available from the Publishers, the Financial Times, Bracken House, Cannon Street, [illegible] price 12p, by post 22p.

AUTHORISED UNIT TRUSTS

Abbey Unit Tst. Mgrs. Ltd. (a)(g)
72-80, Gatehouse Rd., Aylesbury. 0296 5941
Abbey Capital 31.5 33.5 -0.4 3.81
Abbey Income 36.8 39.1 -0.4 5.48
Abbey Inv. Tst. Fd. 33.9 36.1 -0.2 3.92
Abbey Gen. Tst. 44.4 47.2 -0.8 3.74

Allied Hambro Group♥ (a) (g)
Hambro Hse., Hutton, Brentwood, Essex. 01-588 2851 or Brentwood (0277) 211459
Balanced Funds
Allied 1st 62.4 66.8 -1.1 5.46
Brit. Ind. Fund 60.6 64.8 -1.2 5.30
Grth. & Inc. 35.9 38.4 -0.6 4.97
Elect. & Ind. Dev. 30.5 32.6 -0.5 5.21
Allied Capital 68.0 72.6 -1.1 4.92
Hambro Fund 98.9 105.6 -1.7 5.16
Hambro Acc. Fd. 112.7 120.4 -2.2 4.52
Income Funds
High Yield Fd. 63.1 67.6 -0.4 8.30
Equity Income 37.9 39.4 -0.6 7.03
High Income 58.9 62.9 -1.0 6.98
Hambro Inc. Fd. 52.1 55.6 -0.8 7.03
International Funds
International 22.6 24.2 — 2.37
Secs. of America 47.9 50.2 — 2.98
Pacific Fund 31.9 34.1 — 2.93
Specialist Funds
Smaller Co.'s Fd. 32.2 34.4 — 4.91
2nd Smlr. Co.'s Fd. 38.8 42.0 — 5.49
Recovery Sits. 81.4 87.0 — 5.17
Met. Min. & Cdty. 36.4 38.9 — 5.88
Overseas Earnings 50.7 54.1 — 4.90
Expt. Smlr. Co.'s 194.8 205.3 — 5.61

Anshacher Unit Mgmt. Co. Ltd.
1 Noble St., EC2V 7JA. 01-623 6376
Inc. Monthly Fund 168.0 178.0 — 8.10

Arbuthnot Securities Ltd. (a)(c)
37, Queen St., London EC4R 1BY 01-236 5281
Arbuthnot Cmpnd. 32.2 34.7 — 8.95
(Accum. Units) 45.2 48.6 — 8.95
10% Withdrawal 32.2 34.7 — 8.17
Extra Income 105.4 114.6 — 10.91
High Inc. Units 39.3 42.5 -0.1 9.54
(Acc. Uts.) 51.3 55.5 -0.1 9.54
Arbuthnot Pref. 26.0 28.0 — 11.76
(Accum. Units) 37.2 40.1 -0.1 11.96
Arbuthnot Cap. 18.1 19.5 — —
Arbuthnot Cmdty. 51.4 55.5 — 3.31
Accum. Units 72.1 77.8 — 3.31
10% W'drawal 46.2 49.8 — 3.13
Arbuthnot Fn. Prp. 16.6 18.0 — 3.26
Arbuthnot Giants 38.3 41.3 -0.6 3.33
(Accum. Units) 43.7 47.1 -0.7 3.33
Growth Units 32.4 35.1 -0.5 3.43
(Accum. Units) 37.7 40.8 -0.5 3.43
Ionian Growth 122.5 132.5 +1.1 4.59
Inst. Sctr. Ldrs. 28.1 30.0 +2 3.79
East & Intl. Acc. 20.2 21.8 — 1.89
10% Withdrawal 16.5 17.8 — 1.89
Foreign 63.0 68.0 — 2.45
N. American Int. 25.9 28.1 — 1.00
Deal. †Mon. *Tues. ††Wed. ‡Thurs. ‡‡Fri. Next dlg. ***Jan. 12. **Dec. 15. Daily.

Archway Unit Tst. Mgs. Ltd.♥ (a)(c)
317, High Holborn, WC1V 7NL. 01-831 6233.
Archway Fund 78.2 83.2 — 5.79
Prices at Dec. 7. Next sub. day Dec. 21.

Barclays Unicorn Ltd. (a)(g)♥(c)
Unicorn Ho. 252 Romford Rd. E7. 01-534 5544
Unicorn America 30.5 32.8 — 2.21
Do. Aust. Acc. 55.1 59.9 +0.4 2.29
Do. Aust. Inc. 43.7 47.5 +0.3 2.29
Do. Capital 62.0 66.7 -0.9 4.50
Do. Exempt Tst. 101.6 105.8 -2.1 6.20
Do. Extra Income 26.4 28.4 -0.4 8.38
Do. Financial 57.9 61.8 -0.5 5.18
Do. 500 66.8 72.2 -0.8 5.94
Do. General 28.7 30.9 -0.5 4.39
Do. Growth Acc. 39.6 42.6 -0.5 4.10
Do. Income Tst. 78.3 84.2 -1.7 6.86
Do. Prf. A'ns Tst. 127.4 133.4 — 4.25
Prices at Nov. 30. Next sub. day Dec. 30
Do. Recovery 38.2 40.3 -0.5 6.82
Do. Trustee Fund 109.3 116.3 -2.1 5.89
Do. W'wide Trust 46.6 50.1 -0.2 2.71
Bst. In. Fd. Inc. 58.2 62.7 -1.2 4.78
Do. Accum. 67.6 70.4 -1.2 4.78

Baring Brothers & Co. Ltd.♥ (a)(x)
88 Leadenhall St., E.C.3. 01-588 2830
Stratton Tst. 175.2 182.8 — 3.82
Do. Accum. 214.6 223.6 — 3.82
Next sub. day Dec. 21

Bishopsgate Progressive Mgmt. Co.♥
9 Bishopsgate, E.C.2. 01-588 6280
B'gate Pr.** Dec. 6 160.8 170.6 — 3.77
Acc. Uts.** Dec. 6 188.9 201.3 — 3.77
B'gate Int. Dec. 13 158.8 170.8 — 3.10
(Accum.) Dec. 13 174.8 187.2 — 3.10
Next sub. day Jan. 4. **Dec. 20

Bridge Fund Managers♥(a)(c)
King William St., EC4R 9AR 01-623 4951
Bridge Inc.* 47.7 51.9 +0.9 6.93
Bridge Cap. Inc.† 34.3 36.5 — 3.19
Bridge Cap. Acc.† 37.3 39.7 -0.1 3.13
Bridge Exempt† 133.0 142.0 -1.0 5.66
Bridge Intl. Inc.† 13.6 14.5 +0.1 4.25
Bridge Intl. Acc.† 14.8 15.8 +0.1 4.25
Prices Dec. 6/7. Dealing *Tues. †Wed.

Britannia Trust Management(a)(g)
3 London Wall Buildings, London Wall, London EC2M 5QL. 01-638 0478/0479
Assets 64.4 69.2 -0.3 4.89
Capital Acc. 47.5 51.1 -1.0 3.86
Comm & Ind 53.8 57.8 -1.1 4.43
Commodity 72.1 77.5 -1.5 5.34
Domestic 38.4 41.3 -0.8 3.78
Exempt 89.9 97.4 -1.5 8.35
Extra Income 56.9 61.2 -0.5 8.85
Far East 17.2 18.5 +0.1 2.23
Financial Secs. 62.6 67.3 -1.2 4.75
Gold & General 87.2 93.8 +0.2 3.52
Growth 78.9 82.7 -1.2 4.35
Inc. & Growth 62.8 68.0 -1.1 7.97
Intl. Growth 51.3 55.1 -0.1 3.31
Invest. Tst. Shares 44.4 47.7 -0.5 3.36
Minerals 33.2 35.7 +0.4 4.64
Nat. High Inc. 72.5 77.9 -2.9 8.49
New Issue 36.6 39.3 -0.5 4.26
North American 28.8 31.0 — 3.11

Britannia Trust—Continued
Professional 471.6 496.5 -10.7 3.96
Property Shares 13.6 14.6 -0.2 2.31
Shield 45.8 49.3 -1.0 3.88
Status Change 28.2 30.3 -0.2 4.82
Univ Energy 31.8 34.2 -0.6 2.78

The British Life Office Ltd.♥ (a)
Reliance Hse., Tunbridge Wells, Kt. 0892 22271
BL British Life 47.3 50.0 -1.0 5.52
BL Balanced* 43.9 47.0 — 5.58
BL Dividend* 42.2 45.1 — 8.99
*Prices Dec. 14. Next dealing day Dec. 21

Brown Shipley & Co. Ltd.♥
Mngrs: Founders Ct., EC2 01-600 8520
BS Units Dec. 6 211.9 228.1 — 4.46
Do. (Acc.) Dec. 6 260.3 278.3 — 4.46
Oceanic Trusts (a) (g)
Financial 32.9 34.9 -0.4 4.40
General 16.9 17.9 -0.3 4.25
Growth Accum. 42.5 45.6 -0.8 5.15
Growth Income 34.1 36.2 -1.0 5.15
High Income 22.6 24.0 -0.2 9.25
I.T.U. 19.8 21.0 -0.1 3.55
Index 21.7 23.0 -0.5 4.22
Overseas 16.5 17.5 — 3.43
Performance 52.4 56.5 -0.9 4.56
Recovery 20.6 22.1 -0.3 5.76
Exmpt. Nov. 22 62.3 64.9 — 5.45

Canada Life Unit Tst. Mngrs. Ltd.♥
2-6 High St., Potters Bar, Herts. P. Bar 51122
Can. Gen Dist. 36.6 38.5 -0.7 4.22
Do. Gen. Accum. 43.9 46.2 -0.8 4.22
Do. Inc. Dist. 33.1 34.9 -0.4 7.88
Do. Inc. Accum. 42.2 44.4 -0.5 7.88

Capel (James) Mngt. Ltd.♥
100 Old Broad St., EC2N 1BQ 01-588 6010
Capital 80.5 85.8 — 3.89
Income 72.7 77.4 — 7.45
Prices on Dec. 7. Next dealing Dec. 21.

Carliol Unit Fd. Mgrs. Ltd.♥ (a)(c)
Milburn House, Newcastle-upon-Tyne 21165
Carliol 64.7 67.2 +1.6 4.57
Do. Accum. Units 76.9 79.8 +1.9 4.57
Do. High Yield 39.4 40.9 +0.8 8.12
Do. Accum. Units 47.8 50.3 +1.0 8.12
Next dealing date Jan. 4.

Charterhouse Japhet♥
1, Paternoster Row, EC4. 01-248 3999
C.J. Internat'l 21.0 22.4 — 3.97
Accum. Units 24.4 26.0 — 3.97
C.J. Income 33.8 36.0 +0.2 8.29
C.J. Euro. Fin. 23.8 25.4 — 3.78
Accum. Units 27.4 29.2 — 3.78
C.J. Fd. Inv. Tst. 25.8 27.5 +1.6 3.68
Accum. Units 29.4 31.4 +1.8 3.68
Prices Dec. 14. Next dealing Dec. 21.

Chieftain Trust Managers Ltd.♥(a)(g)
30/31 Queen St., EC4R 1BR. 01-248 2932
American 29.9 32.5 — 2.54
High Income 39.0 41.9 — 9.58
International Tst. 22.9 24.6 — 3.35
Basic Resrce. Tst. 24.2 26.0 — 4.79

Confederation Funds Mgt. Ltd.♥ (a)
50 Chancery Lane, WC2A 1HE 01-242 0282
Growth Fund 39.7 41.8 — 4.23

Cosmopolitan Fund Managers.
Copthall Ave., London EC2R 7JX 628 8222
Cosmopoln. Gth. Fd. 16.6 17.9 -0.1 5.09

Crescent Unit Tst. Mgrs. Ltd. (a)(g)
4 Melville Cres., Edinburgh 3. 031-226 4931
Crescent Growth 26.1 28.0 -0.4 4.39
Cres. Internat'l 47.6 51.3 — 0.50
Cres. High. Dist. 41.1 44.1 -0.7 7.51
Cres. Reserves 39.1 41.9 -0.8 4.47

Discretionary Unit Fund Managers
22, Blomfield St., EC2M 7AL. 01-638 4485
Disc Income 149.0 158.4 — 5.46

E. F. Winchester Fund Mngt. Ltd.
Old Jewry, EC2 01-606 2167
Great Winchester 17.7 19.1 — 7.48
Gt. Winch'er O'seas 18.7 20.4 — 5.35

Emson & Dudley Tst. Mngmnt. Ltd.
20, Arlington St., S.W.1. 01-499 7551
Emson Dudley Tst. 63.9 68.8 — 5.10

Equitas Secs. Ltd.♥(a)(g)
41 Bishopsgate, EC2 01-588 2851
Progressive 62.3 66.4 -1.0 4.29

Equity & Law Un. Tr. M.♥ (a)(b)(c)
Amersham Rd., High Wycombe. 0494 33377
Equity & Law 63.2 66.5 -1.2 4.18

Framlington Unit Mgt. Ltd. (a)
5-7, Ireland Yard, EC4B 5DH. 01-248 6971
Capital Tst. 104.4 111.0 — 4.01
Income Tst. 93.4 100.0 — 5.49
Int. Growth Fd. 93.6 100.6 — 2.56
Do. Accum. 96.9 103.0 — 2.56

Friends' Provdt. Unit Tr. Mgrs.♥
Pixham End, Dorking. 0306 5055
Friends Prov. Uts. 40.6 43.2 -0.9 4.26
Do. Accum. 52.0 55.6 -1.2 4.26

G.T. Unit Managers Ltd.♥
16, Finsbury Circus EC2M 7DJ. 01-628 8131
G.T. Cap. Inc. 78.9 84.8 — 3.30
Do. Acc. 96.4 102.5 — 3.30
G.T. Inc. Fd. Un. 159.9 170.5 — 7.90
G.T. U.S. & Gen. 110.3 117.6 — 2.40
G.T. Japan & Gen. 217.1 230.8 — 1.10
G.T. Pens. Ex. Fd. 119.9 126.5 — 4.12
G.T. Int'l. Fund 106.4 113.2 — 2.59
G.T. Four Yds. Fd. 53.7 57.1 — 7.20

♥G. & A. Trust (a) (g)
5, Rayleigh Rd., Brentwood (0277) 227300
G. & A. 30.4 32.5 — 4.76

Gartmore Fund Managers ♥ (a)(g)
2, St. Mary Axe, EC3A 8BP. 01-283 3531
(z)American Tst. 24.0 25.9 -0.1 1.56
British Tst. (Acc.) 48.8 52.6 -0.9 3.67
Commodity Share 138.8 149.2 +0.2 3.67
(z) Far East. Trust 25.6 27.5 +0.2 1.46
High Income Tst. 54.2 58.4 -0.5 8.78
Income Fund 65.8 70.8 -0.9 7.17
Ins. Agencies 12.62 13.52 -0.19 3.83
Intl. Exempt Fd. 81.0 88.2 -1.9 5.83
(z)Intl. Tst. (Acc.) 27.8 29.8 -0.2 1.43

Gibbs (Antony) Unit Tst. Mgs. Ltd.
23, Blomfield St., EC2M 7NL. 01-588 4111
(a) A.G. Income* 38.6 41.5 — 7.70
(a) A.G. Growth†† 35.8 38.7 — 5.10
(a) A.G. Far East* 20.3 22.0 — 0.30
Dealing *Tues. ††Wed.

Govett (John)♥
77, London Wall, E.C.2. 01-588 5620
S'hldr. Dec. 2 222.1 194.8 — 1.97
Do. Accum. Unit 152.0 168.0 — 1.97
Next dealing day December 16.

Grieveson Management Co. Ltd.
59 Gresham St., EC2P 2DS. 01-606 4433
Bar'gtn. Dec. 14 201.6 211.7 -2.0 4.30
(Accum. Units) 215.1 228.5 -2.0 4.30
B'gtn. HY Dec. 8 162.7 173.7 — 7.25
(Accum. Units) 186.2 195.9 — 7.25
Endeav. Dec. 13 148.5 155.2 — 2.61
(Accum. Units) 154.4 160.6 — 2.61
Grnchstr. Dec. 9 81.9 85.8 — 2.54
(Accum. Units) 84.4 88.4 — 2.54
Ln. & Brsls. Dec. 14 65.0 68.0 -0.2 8.37
(Accum. Units) 67.0 70.1 -0.2 8.37

Guardian Royal Ex. Unit Mgrs. Ltd.
Royal Exchange, EC3P 3DN. 01-628 8011
(ag) Guardhill Tst. 85.5 88.5 -1.6 4.26

Henderson Administration(a)♥
Premier U.T. Admin., Rayleigh Road, Brentwood, Essex. 0277 227300
(g)Australian 28.3 30.4 +0.4 0.81
(g)Cap. Accum. 39.9 42.9 -0.9 4.89
(g)European 31.8 33.9 -0.3 1.40
(g)Far East 33.6 36.0 +1.0 0.32
(g)Finan. & ITU 22.7 24.4 -0.4 4.36
(g) High Income 54.2 58.0 -0.4 8.36
(g)Inc. & Assets 29.9 31.8 -0.5 6.15
(g)International 34.9 37.3 -0.1 1.36
(g)Nth. American 34.4 36.9 — 1.12
N.A. Gross Dec. 9 109.6 114.2 — 2.05
Oil & Nat. 24.3 25.9 — 1.34
W. Wid. Dec. 9 74.5 79.8 — 4.20
(g) Cabot 70.2 74.8 -0.5 3.12
Cabot Extra Inc. 49.7 52.3 -0.2 9.21
*For tax exempt funds only

Hill Samuel Unit Tst. Mgrs.† (a)
45 Beech St., EC2P 2LX 01-628 8011
(b) British Trust 150.4 160.9 — 5.14
(g) Int'l Trust 34.2 36.6 -0.4 3.46
(g) Dollar Trust 69.4 74.3 — 1.14
(b) Capital Trust 28.9 31.0 -0.5 4.21
(b) Financial Trust 91.7 98.1 — 4.36
(b) Income Trust 25.3 27.1 -0.6 7.72
(b) Security Trust 50.7 54.3 -0.8 4.97
(b) High Yield Tst. 27.2 29.1 -0.3 8.50

Intel.♥ (a)(g)
15, Christopher Street, EC2. 01-247 7243
Intel. Inv. Fund 86.8 93.4 -1.7 6.5

Key Fund Managers Ltd. (a)(g)
25, Milk St., EC2V 8JE. 01-606 7070
Key Energy In. Fd. 72.1 76.7 -1.3 3.74
Key Equity & Gen. 62.2 66.1 -1.1 4.53
♦Key Exempt Fd. 138.4 146.4 -4.0 6.72
Key Income Fund 74.8 79.5 -1.5 8.21
Key Fixed Int. Fd. 59.9 62.7 — 11.96
Key Small Co's Fd. 81.2 86.3 -0.7 7.11

Kleinwort Benson Unit Managers♥
20, Fenchurch St., E.C.3. 01-623 8000
K.B. Unit Fd. Inc. 83.1 90.1 — 4.47
♦K.B. UnitFd.Ac. 101.7 110.2 — —

L & C Unit Trust Management Ltd.♥
The Stock Exchange, EC2N 1HP. 01-588 2800
L&C Inc. Fd. 125.7 129.6 — 7.81
L&C Intl & Gen Fd. 90.1 92.9 — 3.69

Lawson Secs. Ltd. ♥(a)(c)
63 George St., Edinburgh EH2 2JG. 031-226 3911
♦Raw. Materials 33.6 36.9 — 7.18
♦(Accum. Units) 36.5 40.1 — 7.18
♦Growth Fund 52.6 57.8 — 2.83
♦(Accum. Units) 57.3 63.0 — 2.83
††Gilt and Warrant 34.3 37.7 — 1.98
†American Fd. 21.6 23.4 -0.1 0.26
†(Accum. Units) 22.6 24.6 -0.1 0.26
**High Yield 55.6 60.2 -0.3 10.62
**(Accum. Units) 62.2 68.1 -0.3 10.62
Deal. ♦Mon. †Tues. ††Wed. ‡Thurs. **Fri.

Legal & General Tyndall Fund♥
18, Canynge Road, Bristol. 0272 32241
Dis. Dec. 14 54.2 57.6 -0.6 5.19
(Accum. Units) 67.8 71.9 -0.8 5.19
Next sub. day Jan. 12.

Leonine Administration Ltd.
2, Duke St., London W1M 6JP. 01-486 5901
Leo Dist. 68.8 72.4 -0.7 5.47
Leo Accum. 73.2 77.1 -0.7 5.14

Lloyds Bk. Unit Tst. Mngrs. Ltd.♥ (a)
Registrar's Dept., Goring-by-Sea, Worthing, West Sussex. 01-623 1288
First (Balncd.) 47.5 51.0 -1.0 4.42
Do. (Accum.) 59.8 64.2 -1.2 4.42
Second (Cap.) 47.3 50.8 -0.7 3.49
Do. (Accum.) 58.8 63.2 -0.7 3.49
Third (Income) 76.9 82.6 -1.3 6.29
Do. (Accum.) 103.1 110.8 -1.8 6.29
Fourth (ExInc.) 55.4 59.5 -0.8 7.85
Do. (Accum.) 61.4 66.0 -0.9 7.85

Lloyd's Life Unit Tst. Mngrs. Ltd.
72-80, Gatehouse Rd., Aylesbury. 0296 5941
Equity Accum. 140.9 148.3 -3.9 4.11

M & G Group♥ (y)(c)(z)
Three Quays, Tower Hill, EC3R 6BQ. 01-626 4588
See also Stock Exchange Dealings.
American 42.0 44.7 -0.1 1.76
(Accum. Units) 42.4 45.2 -0.1 1.76
Australasian 41.3 44.0 -0.1 2.72
(Accum. Units) 41.6 44.3 -0.1 2.72
Commodity 62.8 67.3 +0.1 5.24
(Accum. Units) 66.5 71.1 +0.1 5.24
Compound Growth 96.3 103.4 -0.6 3.80
Conversion Growth 47.2 51.2 -0.3 4.47
Dividend 106.1 115.1 -0.6 8.06
(Accum. Units) 200.5 213.5 -1.2 8.06
European 46.9 49.9 -0.4 3.73
Extra Yield 79.8 85.8 -0.4 8.26
(Accum. Units) 103.8 110.5 -0.4 8.26
Far Eastern 39.1 41.6 — 3.09
(Accum. Units) 42.4 45.2 — 3.09
Fund of Inv. Tsts. 57.6 61.9 +0.3 4.14
(Accum. Units) 69.8 74.9 +0.3 4.14
General 150.5 163.5 -1.0 5.87
(Accum. Units) 229.9 249.6 -1.5 5.87
High Income 94.5 100.6 -0.5 8.33
(Accum. Units) 153.8 163.8 -0.4 8.33
Japan Income 111.9 121.6 — 1.34
(Accum. Units) 112.2 121.7 +0.1 1.34
Magnum 174.8 187.9 -0.9 4.14
(Accum. Units) 214.6 230.7 -1.2 4.14
Midland 147.1 158.1 -0.1 7.12
(Accum. Units) 238.4 256.3 -0.1 7.12
Recovery 71.6 76.3 -0.2 4.68
Second Gen. 151.3 164.2 -0.3 5.27
(Accum. Units) 226.2 245.4 -0.5 5.27
Special 142.9 153.3 -0.7 4.36
(Accum. Units) 178.3 189.9 -0.9 4.36
Specialised Funds
Trustee 136.2 142.6 -0.8 6.66
(Accum. Units) 253.9 267.9 -1.3 6.66
Charibond Dec. 13 116.7 — +0.8 10.30
Charifd. Dec. 13 140.1 142.3 — 7.61
(Accum. Units) 167.3 169.9 — 7.61
Pens. Ex. Dec. 12 120.4 127.0 — 5.87

ManuLife Management Ltd.♥
St. George's Way, Stevenage. 0438 56101
Growth Units 50.4 53.1 — 3.83

Mercury Fund Managers Ltd.
30, Gresham St., EC2P 2EB. 01-600 4555
Merc. Gen. Dec. 14 173.1 184.2 — 4.32
Acc. Uts. Nov. 30 221.7 235.9 — 4.32
Merc. Int. Dec. 14 58.7 62.4 — 0.40
Accm. Uts. Nov. 30 62.6 66.6 — 0.40
Merc. Exit Nov. 24 187.2 195.0 — 4.74
Accum. Uts. Nov. 24 220.6 229.8 — 4.74

Midland Bank Group Unit Trust Managers Ltd.♥ (a)
Courtwood House, Silver Street, Head. Sheffield, S1 3RD. Tel: 0742 79842
Commodity & Gen. 54.7 58.8 — 5.01
Do. Accum. 62.1 66.8 — 5.01
Growth 33.1 35.6 -0.7 3.47
Do. Accum. 35.1 37.8 -0.7 3.47
Capital 26.3 28.3 -0.3 3.47
Do. Accum. 27.9 29.9 -0.2 3.47
Income 48.1 51.4 -0.8 6.27
Do. Accum. 53.7 57.4 -0.8 6.27
International 39.2 42.4 — 2.67
Do. Accum. 45.6 48.8 — 2.67
High Yield 57.2 60.9 -0.9 8.08
Do. Accum. 59.0 62.8 -1.0 8.08
Equity Exempt* 102.4 108.0 — 5.45
Do. Accum.* 102.4 108.0 — 5.45
*Prices at Nov. 30. Next dealing Dec. 30.

Minster Fund Managers Ltd.
Minster Hse., Arthur St., E.C.4. 01-623 1050
Minster Dec. 12 33.4 35.4 — 5.19
Exempt Nov. 30 81.7 85.7 — 5.87

MLA Unit Trust Mgemnt. Ltd.
Old Queen Street, SW1H 9JG. 01-930 7333.
MLA Units 37.2 39.1 — 4.17

Mutual Unit Trust Managers♥ (a)(g)
15, Copthall Ave., EC2R 7BU. 01-606 4803
Mutual Sec. Plus 49.5 53.0 -0.5 6.03
Mutual Inc. Tst. 63.5 68.0 -0.6 7.52
Mutual Blue Chip 41.2 44.2 -0.3 5.90
Mutual High Yld. 54.4 58.4 -0.4 8.92

National and Commercial
31, St. Andrew Square, Edinburgh 031-556 9151
Income Dec. 14 148.6 154.0 +10.4 5.75
(Accum. Units) 199.2 206.6 +13.8 5.75
Capt. Dec. 14 126.2 130.8 +8.6 3.33
(Accum. Units) 152.2 157.8 +11.0 3.33

National Provident Inv. Mngrs. Ltd.♥
48, Gracechurch St., EC3P 3HH 01-623 4200
N.P.I. Gth. Un. Tst. 45.4 48.4 — 3.65
(Accum. Units)** 54.6 58.1 — 3.65
NPI O'seas. Trust 118.5 125.9 — 3.05
(Accum. Units)** 125.4 132.7 — 3.05
**Prices on Nov. 24. Next dealing Dec. 29.
*Prices Dec. 14. Next dealing Dec. 30.

National Westminster♥(a)
161, Cheapside, EC2V 6EU. 01-606 6060.
Capital (Accum.) 61.4 66.0 -1.0 4.33
Extra Inc. 62.1 66.8 -1.3 7.39
Financial 32.8 35.2 -0.4 5.06
Income 34.3 36.9 -0.7 6.39
Portfolio Inv. Fd. 65.7 70.2 -1.2 4.69
41, Lothbury, EC2P 2BP. 01-837 8044
Growth Inv. 83.2 89.4 -1.0 4.66

NEL Trust Managers Ltd.♥ (a)(g)
Milton Court, Dorking, Surrey. 5911
Nelstar 60.2 63.3 -1.3 4.96
Nelstar High Inc. 46.6 49.0 -0.3 10.20

New Court Fund Managers Ltd. (g)
72-80, Gatehouse Rd., Aylesbury. 0296 5941
N. C. Equity Fund 157.0 167.0 -2.0 3.16
N.C. Engy. Res. Tst. 98.4 104.6 -0.7 2.92
N. C. Income Fd. 137.7 146.4 -2.3 7.07
N. C. Internat. Inc. 73.4 78.0 -0.1 2.16
N. C. Internat. Acc. 73.4 78.0 -0.1 2.16
N. C. Sml. Cs. Fd. 136.8 145.5 -1.7 4.67

Norwich Union Insurance Group (b)
P.O. Box 4, Norwich, NR1 3NG. 0603 22200
Group Tst. Fd. 330.1 347.5 -5.1 5.01

Pearl Trust Managers Ltd. (a)(g)(z)
252 High Holborn, WC1V 7EB 01-405 8441
Pearl Growth Fd. 22.4 24.1 -0.3 4.57
Accum Units 25.5 27.3 -0.3 4.57
Pearl Inc. 29.7 32.0 -0.4 6.70
Pearl Unit Tst. 33.4 36.0 -0.4 4.92
(Accum. Units) 42.5 45.8 -0.8 4.92

Pelican Units Admin. Ltd. (g)(x)
81 Fountain St., Manchester 061-236 5685
Pelican Units 76.0 81.7 — 5.11

Perpetual Unit Trust Mngmt.♥ (a)
48 Hart St., Henley on Thames 04912 6868
P'petual Gp. Gth. 174.3 186.5 — 3.85

Piccadilly Unit T. Mgrs. Ltd.♥ (a)(b)
Wardg'te Hse., 59a London Wall EC2 638 0801
Extra Income 31.3 33.6 -0.5 8.00
Small Co's Fd. 36.9 39.3 -0.9 5.47
Capital Fund 46.9 49.8 -1.1 3.83
Int. Ems. & Assets 47.9 51.2 -0.8 5.20
Private Fund 35.9 38.3 -0.8 4.20
Accumltr. Fund 59.3 63.3 — 4.88
Technology Fund 57.0 60.8 -0.8 4.02
Far East Fd. 22.7 24.0 — 3.00
American Fund 23.4 24.8 — 3.1

Practical Invest. Co. Ltd.♥ (y)(c)
44, Bloomsbury Sq. WC1A 2RA 01-623 8893
Practical Dec. 14 143.3 152.6 +2.5 3.90
Accum. Units 209.3 224.5 +3.5 3.90

Provincial Life Inv. Co. Ltd.♥
222, Bishopsgate, E.C.2. 01-247 6533
Prolific Units 72.4 77.5 -0.7 3.99
High Income 103.2 110.5 -1.9 7.68

Prudl. Unit Tst. Mngrs.♥ (a)(b)(c)
Holborn Bars, EC1N 2NH. 01-405 9222
Prudential 118.5 126.0 -2.0 4.53

Quilter Management Co. Ltd.♥
The Stk. Exchange, EC2N 1HP. 01-600 4177
Quadrant Gen. Fd. 105.2 108.2 — 4.03
Quadrant Income 115.4 118.4 — 7.95

Reliance Unit Mgrs. Ltd.♥
Reliance Hse., Tunbridge Wells, Kt. 0892 22271
Opportunity Fd. 60.1 64.5 — 5.27
Sekforde T. (Acc.) 39.9 42.7 -0.6 5.51
Sekforde T. Inc. 39.5 42.3 -0.6 5.51

Ridgefield Management Ltd.
PO Box 419, Bank Hse., Manchstr. 061 236 8521
Ridgefield Int. UT. 90.0 96.0 — 2.48
Ridgefield Income 92.0 98.0 — 9.18

Rothschild. & Lwnds. Mgrs. (a)
St. Swithins Lane, Ldn., EC4. 01-626 4356
New Ct. Exempt 121.0 128.0 — 3.63
Price on Nov. 15. Next dealing Dec. 15.

Rowan Unit Trust Mngt. Ltd.
City-Gate Hse., Finsbury Sq., EC2. 01-606 1066
Rowan Am. Dec. 8 62.3 64.7 — 2.86
Rowan Sec. Dec. 13 156.0 164.0 — 3.97
Rowan Hy Dec. 8 53.2 56.1 — 7.07
(Accum. Units) 73.1 77.0 — 7.07
Rwn. Mrin. Dec. 12 72.2 76.1 — 3.18
(Accum. Units) 86.5 91.1 — 3.18

Royal Tst. Can. Fd. Mgrs. Ltd.
54, Jermyn Street, S.W.1. 01-629 8252
Capital Fund 67.6 71.4 — 3.66
Income Fund 68.8 72.8 — 7.75
Prices at Nov. 30. Next dealing Dec. 15.

Save & Prosper Group
4, Great St. Helens, London EC3P 3EP
68-73 Queen St., Edinburgh EH2 4NX
Dealings to: 01-554 8899 or 031-226 7351

Save & Prosper Securities Ltd.♥
International Funds
Capital Units 33.1 35.5 -0.4 3.46
I.T.U. 24.8 26.6 — 3.84
Univ. Growth 59.4 63.8 -0.7 1.86
Increasing Income Fund
High-Yield Units 53.2 57.1 -1.1 6.88
High Income Funds
High Return 60.9 65.4 -0.7 7.88
Income 42.2 45.3 -0.6 8.19
U.K. Funds
UK Equity Fund 42.4 45.5 -1.0 4.40
Overseas Funds(z)
Europe Gth. Fd. 74.1 79.6 -0.2 3.86
Japan Gth. Fd. 75.8 80.6 +0.2 1.55
U.S. Gth. Fd. 68.6 73.8 -0.2 2.70
Sector Funds
Commodity 64.8 69.6 -0.1 5.83
Energy 64.1 68.9 -0.6 2.67
Fin'cial Secs. Fd. 65.2 70.1 -0.6 3.39
High-Minimum Funds
Select Internat. 220.9 233.1 -1.6 2.67
Select Income 50.3 53.3 -1.0 7.52

Scotbits Securities Ltd.
Scotbits 34.7 39.4 -0.4 3.71
Scotyield 48.5 53.2 -1.1 6.85
Scotshares 53.5 57.5 -0.1 4.39
Scot. Ex. Gth.* 207.0 216.7 +1.5 2.24
Scot. Ex. Yld.* 164.5 172.3 +4.0 6.39
*Prices at Dec. 14. Next sub. day Dec. 28.

Schlesinger Trust Mngrs. Ltd. (a)(g)
(Incorporating Trident Trusts)
140, South Street, Dorking. (0306) 86441
Am. Exempt* 19.6 20.6 — 2.82
Am. Growth 25.9 27.9 — 2.48
Exempt High Yld.* 24.5 25.8 — 8.24
Exempt Mkt. Ldrs.* 24.6 25.9 — 4.35
Extra Inc. Tst. 27.7 29.8 -0.1 10.12
Income Dist. 38.5 41.9 -0.1 9.75
Inc. 10% Wdrwl. 29.6 32.2 -0.2 —
Intnl. Growth 41.2 44.3 — 2.94
Inv. Tst. Units 23.9 25.7 -0.1 4.49
Market Leaders 27.8 29.9 -0.6 4.46
"Nil Yield" 27.7 30.8 -0.1 0.21
Property Shares 24.9 26.8 -0.3 2.52
Special Sit. Tst. 24.5 26.3 +0.1 2.85
U.K. Grth. Accum. 20.3 21.8 -0.2 5.76
U.K. Grth. Dist. 19.0 20.7 -0.2 5.76
*Next sub. day Dec. 28.

J. Henry Schroder Wagg & Co. Ltd.♥
120, Cheapside, E.C.2. 01-240 3434
Capital Dec. 13 95.8 98.2 — 2.36
(Accum.) 115.1 119.2 — 2.36
Income Dec. 13 172.5 177.7 — 7.08
(Accum. Units) 249.5 258.5 — 7.08
General Dec. 14 77.5 83.7 -1.3 3.48
(Accum. Units) 94.4 98.3 -1.7 3.48
Europe Dec. 1 27.9 28.7 — 1.57
(Accum. Units) 29.5 31.9 — 1.57
*Pn'Chy Nov. 22 162.4 167.4 — 3.64
*Spect. Ex. Dec. 6 216.1 222.7 — 3.62
*Recovery Dec. 6 181.3 186.9 — 4.74
*For tax exempt funds only

Scottish Equitable Fnd. Mgrs. Ltd.♥
28 St. Andrews Sq., Edinburgh 031-556 9101
Income Units 49.8 53.0 -0.8 5.20
Accum. Units 55.9 59.5 -0.9 5.20
Dealing day Tuesday.

Sebag Unit Tst. Managers Ltd.♥ (a)
PO Box 511, Bcklbry. Hse., E.C.4. 01-236 5000
Sebag Capital Fd. 32.9 34.4 — 3.59
Sebag Income Fd. 29.0 30.3 — 7.50

Security Selection Ltd.
15-19, Lincoln's Inn Fields, WC2. 01-831 6936-9
Unvl Gth Tst Acc 23.0 24.5 — 3.85
Unvl Gth Tst Inc 20.2 21.5 — 3.85

Stewart Unit Tst. Managers Ltd. (a)
45, Charlotte Sq., Edinburgh. 031-226 3271
Stewart American Fund
Standard Units 57.4 61.9 — 1.60
Accum. Units 61.8 66.8 — —
Withdrawal Units 47.2 51.0 — —
Stewart British Capital Fund
*Standard 128.0 138.2 — 3.40
Accum. Units 145.0 156.6 — —

Sun Alliance Fund Mngt. Ltd.
Sun Alliance Hse., Horsham. 0403 64141
Exp. Eq. Tst. Dec. 14 194.3 203.5 — 4.47
♥The Family Fd. 87.1 92.6 -1.6 3.56

Target Tst. Mngrs. Ltd.♥ (a)(g)
31, Gresham St., EC2. Dealings: 0296 5941
Target Commodity 31.8 34.2 — 4.27
Target Financial 56.7 61.6 -1.0 4.63
Target Equity 35.5 38.2 -0.8 5.56
Target Ex. Dec. 7 202.8 209.3 — 6.17
♦Do. Acc. Units 267.9 277.6 — 6.17
Target Gilt Fund 119.3 125.7 +1.1 3.80
Target Growth 29.1 31.3 — 4.07
Target Intl. 22.7 24.4 -0.1 1.29
Do. Reinv. Units 24.8 26.7 -0.1 1.29
Target Inv. 29.5 31.7 — 3.25
Target Pr. Dec. 7 155.7 163.9 — 4.06
Tgt. Inc. 27.4 29.5 -0.2 9.33
Tgt. Pref. 14.4 15.9 +0.1 10.90
Coyne Growth Fd. 17.7 18.6 -0.3 4.47

Target Tst. Mgrs. (Scotland) (a)(b)
19, Athol Crescent, Edin. 3. 031-229 8621/2
Target Eagle 23.1 24.8 — 1.82
Target Thistle 38.6 41.5 -0.7 5.90
Extra Income Fd. 58.4 62.8 — 10.27

Trades Union Unit Tst. Managers♥
100, Wood Street, E.C.2. 01-628 8011
TUUT Dec. 1 50.3 53.6 — 5.02

Transatlantic and Gen. Secs. Co.♥
91-99 New London Rd. Chelmsford 0245 51651
Barbican Dec. 8 74.4 79.3 — 6.08
(Accum. Units) 110.8 118.1 — 6.08
Barb. Euro. Nov. 30 81.2 85.9 — 3.31
Buckm. Dec. 8 78.4 83.9 — 3.97
(Accum. Units) 95.5 102.1 — 3.97
Colemco Dec. 9 121.4 127.8 — 5.52
(Accum. Units) 144.2 151.8 — 5.52
Cumrld. Dec. 14 53.3 56.7 -1.0 6.34
(Accum. Units) 56.9 60.5 -1.1 6.34
Glen. Dec. 13 51.1 54.7 — 5.51
(Accum. Units) 64.4 68.9 — 5.51
Marlboro Dec. 13 47.7 51.2 — 2.41
(Accum. Units) 53.9 57.8 — 2.41
Van. Gwth. Dec. 13 47.3 50.5 — 3.21
(Accum. Units) 57.5 61.4 — 3.21
Van. H.Y. Dec. 13 67.9 72.5 — 7.07
Vang. T'tee Dec. 14 42.1 45.4 -0.1 6.59
(Accum. Units) 43.1 45.4 -0.1 6.59
Wickmor Dec. 8 59.2 62.9 — 4.96
(Accum. Units) 68.8 72.8 — 4.96
Wick Div. Dec. 9 64.1 67.8 — 8.01
Do. Accum. 70.7 74.7 — 8.01

Tyndall Managers Ltd.♥
18, Canynge Road, Bristol. 0272 32241
Income Dec. 14 94.8 99.6 -0.6 7.56
(Accum. Units) 168.6 177.2 -0.8 7.56
Cap. Dec. 14 119.0 125.0 -1.0 4.08
(Accum. Units) 164.0 172.2 -1.6 4.08
Exempt Nov. 30 101.4 106.6 — 7.63
(Accum. Units) 139.6 146.8 — 7.63
Canynge Dec. 14 93.2 98.0 — 5.49
(Accum. Units) 114.4 120.2 -0.2 5.49
Int. Earn. Dec. 14 232.0 243.8 -0.8 5.44
(Accum. Units) 256.2 269.2 -0.6 5.44
Scot. Cap. Dec. 14 129.2 135.8 -1.2 4.95
(Accum. Units) 151.0 158.6 -1.4 4.95
Scot. Inc. Dec. 14 153.2 161.8 +0.4 8.91
London Wall Group
Capital Growth 74.2 79.3 -1.4 4.65
Do. Accum. 74.2 79.3 -1.4 4.65
Extra Inc. Growth 34.1 36.6 -0.4 9.73
Do. Accum. 38.0 40.8 -0.4 9.73
Financial Pr'rty 15.6 16.6 -0.3 4.81
Do. Accum. 18.6 19.9 -0.3 4.81
High Inc. Priority 58.5 62.8 -0.7 8.24
London Wall Int. 26.0 27.8 — 5.11
Special Sits. 27.5 29.2 -0.2 5.07

TSB Unit Trusts (y)
21, Chantry Way, Andover, Hants. 0264 62188
Dealings to 0264 63432-3
(b)TSB General 43.1 46.2 -1.0 3.63
(b) Do. Accum. 54.1 57.9 -1.1 3.63
(b) TSB Income 55.2 59.8 -1.0 7.08
(b) Do. Accum. 57.2 60.9 -1.1 7.08
TSB Scottish 74.3 79.2 -0.7 2.35
(b) Do. Accum. 78.9 84.0 -0.7 2.35

Ulster Bank♥ (a)
Waring Street, Belfast. 0232 35231
(b)Ulster Growth 37.0 39.8 -0.4 4.86

Unit Trust Account & Mgmt. Ltd.
King William St. EC4R 9AR 01-623 4951
Friars Hse. Fund 143.0 151.0 — 4.50
Wieler Grth. Fnd. 29.2 30.8 — 3.35
Do. Accum. 33.2 35.0 — 3.35

Wieler Growth Fund
King William St. EC4R 9AR 01-623 4951
Income Units 29.7 31.3 — 3.30
Accum. Units 33.8 35.6 — 3.30

CORAL INDEX: Close 470-475

CLIVE INVESTMENTS LIMITED
1 Royal Exchange Ave., London EC3V 3LU. Tel. 01-283 1101
Index Guide as at 6th December 1977 (Base 100 at 14.1.77)
Clive Fixed Interest Capital 130.55
Clive Fixed Interest Income 123.05

INSURANCE BASE RATES

† Property Growth	8½%
Cannon Assurance	4 %

† Address shown under Insurance and Property Bond Table.

BASE LENDING RATES

A.B.N. Bank	7½%	■ Hill Samuel	§ 7 %
Allied Irish Banks Ltd.	7½%	C. Hoare & Co.	† 7 %
American Express Bk.	7 %	Julian S. Hodge	8½%
Amro Bank	7½%	Hongkong & Shanghai	7 %
A P Bank Ltd.	7 %	Industrial Bk. of Scot.	7 %
Henry Ansbacher	7½%	Keyser Ullmann	7 %
Banco de Bilbao	7½%	Knowsley & Co. Ltd.	9 %
Bank of Credit & Cmce.	7½%	Lloyds Bank	7 %
Bank of Cyprus	7½%	London & European	8½%
Bank of N.S.W.	7½%	London Mercantile	7 %
Banque Belge Ltd.	7½%	Midland Bank	6¾%
Banque du Rhone	8 %	■ Samuel Montagu	6¾%
Barclays Bank	7½%	■ Morgan Grenfell	7 %
Bremit Christie Ltd.	8½%	National Westminster	7½%
Bremar Holdings Ltd.	8½%	Norwich General Trust	7 %
Brit. Bank of Mid East	7 %	P. S. Refson & Co.	7 %
Brown Shipley	7 %	Rossminster Accept'cs	7½%
Canada Permanent AFI	7½%	Royal Bk. Canada Trust	7½%
Capitol C & C Fin. Ltd.	9 %	Schlesinger Limited	7½%
Cayzer Ltd.	7½%	E. S. Schwab	9 %
Cedar Holdings	7 %	Security Trust Co. Ltd.	8½%
Charterhouse Japhet	7 %	Shenley Trust	9½%
C. E. Coates	8½%	Standard Chartered	7½%
Consolidated Credits	7½%	Trade Dev. Bank	7½%
Co-operative Bank	* 7 %	Trustee Savings Bank	7 %
Corinthian Securities	7½%	Twentieth Century Bk.	8½%
Credit Lyonnais	7 %	United Bank of Kuwait	7 %
Duncan Lawrie	‡ 7½%	Whiteaway Laidlaw	7½%
Eagil Trust	7½%	Williams & Glyn's	7½%
English Transcont.	8 %	Yorkshire Bank	7½%
First London Secs.	7½%		
First Nat. Fin. Corpn.	8 %		
First Nat. Secs. Ltd.	8 %		
Antony Gibbs	7 %		
Goode Durrant Trust	7½%		
Greyhound Guaranty	7½%		
Grindlays Bank	‡ 7½%		
Guinness Mahon	7 %		
Hambros Bank	7 %		

■ Members of the Accepting Houses Committee.
* 7-day deposits 4%, 1-month deposits 4½%.
† 7-day deposits on sums of £10,000 and under 4%, up to £25,000 4½% and over £25,000 5%.
‡ Call deposits over £1,000 4%.
§ Demand deposits 4½%.
¶ Rate also applies to Sterling Ind. Secs.

LEADERS AND LAGGARDS

The following table shows the percentage changes which have taken place since December 31, 1976, in the principal equity sections of the FT Actuaries Share Indices. It also contains the Gold Mines Index.

Insurance	+105.11	Financial Group	+ 45.51
Building and Construction	+ 99.20	Entertainment and Catering	+ 41.50
Motors	+ 98.19	Textiles	+ 39.72
Engineering (Heavy)	+ 74.50	Packaging and Paper	+ 38.97
Elects., Radio and TV	+ 74.11	500-share Index	+ 38.94
[illegible]	+ 72.22	All-share Index	+ 38.42
Equipment	+ 70.36	Insurance Brokers	+ 37.99
Materials	+ 70.02	Toys and Games	+ 34.87
Papers and Publishing	+ 66.59	Discount Houses	+ 34.53
[illegible]	+ 66.31	Other Groups	+ 34.16
[illegible]	+ 66.39	Food Manufacturing	+ 33.92
Goods (Durable) Grp.	+ 62.76	Overseas Traders	+ 31.69
Shipping	+ 60.52	Investment Trusts	+ 31.48
Goods Group	+ 56.49	Engineering (General)	+ 25.95
Wines and Spirits	+ 54.22	Chemicals	+ 23.22
Food Distributors	+ 51.89	Banks	+ 20.17
Goods	+ 50.65	Shipping	+ 15.86
Goods (Non-Durable) Grp.	+ 50.67	Gold Mines FT	+ 14.60
(Composite)	+ 45.90	Oils	+ 10.09
Group	+ 46.33	Tobacco	+ 7.81
Finance	+ 45.45	Mining Finance	+ 4.90
Houses	+ 45.34		
Banks	+ 48.32		

* Percentage changes based on Tuesday, December 15, 1977, indices.

OFFSHORE AND OVERSEAS FUNDS

Arbuthnot Securities (C.I.) Limited
P.O. Box 284, St. Helier, Jersey. 0534 72177
Cap. Tst. (Jersey) 113.0 117.0 — 3.60
Next dealing date Dec. 20
East & Intl. Tst. (C.I.) 111.0 118.0 — 3.17
Next sub. Dec. 29.

Australian Selection Fund NV
Market Opportunities, c/o Irish Young & Outhwaite, 127, Kent St., Sydney.
US$1 Shares $US1.48 — —
Net asset value Dec. 8.

Banque Bruxelles Lambert
2, Rue de la Regence B 1000 Brussels
Renta Fund LF 1,958 2,019 -4 8.20

Bk. of London & S. America Ltd.
40-66, Queen Victoria St., EC4. 01-930 2313
Alexander Fund $US6.42 -0.09 —
Net asset value Dec. 14.

Barclays Unicorn Int. (Ch. Is.) Ltd.
1, Charing Cross, St. Helier, Jsy. 0534 73741
Overseas Income 51.9 54.6 — 9.85
Unidollar Trust $US1.21 18.73 — 4.70
*Subject to fee and withholding taxes

Barclays Unicorn Int. (I. O. Man) Ltd.
1 Thomas St., Douglas, I.o.M. 0624 4856
Unicorn Aust. Ext. 40.8 43.1 — 2.10
Do. Aust. Min. 23.6 25.0 — 2.40
Do. Grtr. Pacific 53.7 57.7 -0.8 —
Do. Intl. Income 38.7 41.7 — 8.40
Do. I. of Man Tst. 48.5 51.6 — 8.50
Do. Manx Mutual 23.5 25.3 +0.2 3.20

Bishopsgate Commodity Ser. Ltd.
P.O. Box 42, Douglas, I.o.M. 0624-23911
ARMAC*Dec. 5 $US25.61 +0.82 —
CANRHO** Dec. 5 £1.094 — —
COUNT** Dec. 5 £2.370 — —
Originally issued at *$10 and **£1.00.

Bridge Management Ltd.
P.O. Box 508, Grand Cayman, Cayman Is.
N'bashi Dec. 1 Y12,983 — —
G.P.O. Box 590, Hong Kong
Nippon Fd Dec 14 $US21 22.91 -0.12 0.79
Ex-Stock Split.

Britannia Tst. Mngmt. (CI) Ltd.
30 Bath St., St. Helier, Jersey. 0534 73114
Growth Invest. 31.9 34.5 — 4.40
Intnl. Fd. 62.8 67.9 — 1.50
Jersey Energy Tst. 148.8 160.9 — 1.50
Univsl. Dlr. Tst. $5.28 5.47 — —
Univsl. $ Tst. Stg. £2.24 2.36 — 1.90
Value Dec. 9. Next dealing Dec. 19.

Butterfield Management Co. Ltd.
P.O. Box 195, Hamilton, Bermuda.
Buttress Equity 1.87 1.96 — 2.29
Buttress Income 1.89 1.96 — 7.39
Prices at Nov. 7. Next sub. day Dec. 12.

Capital International S.A.
37 rue Notre-Dame, Luxembourg.
Capital Int. Fund $US15.61 — —

Charterhouse Japhet
1, Paternoster Row, EC4. 01-248 3999
Adiropa DM29.50 31.00 -0.20 5.81
Adiverba DM46.20 48.60 -0.20 5.56
Fondak DM30.50 32.10 -0.10 6.23
Fondis DM20.40 21.50 -0.20 5.95
Emperor Fund $US2.71 2.81 — —
Hispano $US42.86 44.18 — 2.05

Cornhill Ins. (Guernsey) Ltd.
P.O. Box 157, St. Peter Port, Guernsey
Intnl. Man. Fd. 156.0 170.0 — —

Delta Group
P.O. Box 3012, Nassau, Bahamas.
Delta Inv. Dec. 13 $1.32 1.39 — —

Deutscher Investment-Trust
Postfach 2685 Biebergasse 6-10 6000 Frankfurt.
Concentra DM19.90 21.20 -0.10 —
Int. Rentenfonds DM72.40 74.60 — —

Dreyfus Intercontinental Inv. Fd.
P.O. Box N3712, Nassau, Bahamas.
NAV Dec. 6 $US12.25 13.02 — —

Emson & Dudley Tst. Mgt. Jrsy. Ltd.
P.O. Box 73, St. Helier, Jersey. 0534 20591
E.D.I.C.T. 116.2 123.7 — —

F. & C. Mgmt. Ltd. Inv. Advisers
1-2, Laurence Pountney Hill, EC4R 0BA. 01-623 4680
Cent. Fd. Dec. 7 $US4.33 — —

Fidelity Mgmt. & Res. (Bda.) Ltd.
P.O. Box 670, Hamilton, Bermuda.
Fidelity Am. Ass. $US21.15 -0.54 —
Fidelity Int. Fund $US17.97 — —
Fidelity Pac. Fd. $US37.60 — —
Fidelity Wrld Fd. $US12.32 +0.02 —
Fidelity Ster. Fds. — — —
Series A (Intnl.) £3.01 — —
Series B (Pacific) £5.83 — —
Series D (Am. Ass.) £13.53 +0.33 —

First Viking Commodity Trusts
8, St. George's St., Douglas, I.o.M. 0624 4682. Ldn. Agts. Dunbar & Co., Ltd., 53, Pall Mall, London SW1Y 5JH. 01-930 7857
Fst. Vik. Cm. Tst. 39.6 41.7 — 6.60
Fst. Vk. Dbl. Op. Tst. 87.9 92.0 — 3.7

Fleming Japan Fund S.A.
37, rue Notre-Dame, Luxembourg
Fleming Jan. Dec. 14 $US35.64 -1.09 —

Free World Fund Ltd.
Butterfield Bldg., Hamilton, Bermuda.
NAV Nov. 30 $US163.56 — —

G.T. Management Ltd. Ldn. Agts.
Park Hse., 16 Finsbury Circus, London EC2. Tel: 01-628 8131. TLX: 886100

Management International Ltd.
c/o Bk. of Bermuda, Front St., Hamilton, Bmda.
Anchor Gilt Edge £10.69 10.72 — 11.61
Anchor In. Jsy. Tst. 22.7 24.1 — 4.67
Anchor 'B' Units $US0.77 0.82 — 1.68
Anchor Int. Fd. $US3.76 3.96 — 1.66

G.T. Bermuda Ltd.
Bk. of Bermuda, Front St., Hamilton, Bmda.
Berry Pac F. $36.66 — 1.89
G.T. $ Fd. $6.53 — 0.76

G.T. Mgt. (Asia) Ltd.
Hutchison Hse., Harcourt Rd., Hong Kong
G.T. Asia F. $7.20 7.53 — 1.73
G.T. Bond Fund $US11.73 — 5.50

G. T. Management (Jersey) Ltd.
Royal Tst. Hse., Colomberie, St. Helier, Jersey
G.T. Asia Sterling 10.53 11.34 — 1.76
Bank of Bermuda (Guernsey) Ltd.
31-33, Le Pollet, Guernsey.
Berry Pac Strlg. 199.80 217.36 — 1.37

Gartmore Invest. Ltd. Ldn. Agts.
2, St. Mary Axe, London, EC3. 01-283 3531
Gartmore Fund Mngt. (Far East) Ltd.
1503 Hutchison Hse. 10 Harcourt Rd. H.Kong
HK & Pac. U. Tst. $HK2.36 2.57 — 2.30
Japan Fd. $10.42 11.15 — —
N. American Tst. $US9.95 10.56 — —
Intl. Bond Fund $US9.95 10.66 — —
Gartmore Investment Mngt. Ltd.
P.O. Box 32, Douglas, IoM. 0624 23911
International Inc. 20.6 21.9 +0.1 11.80
Do. Growth 56.0 59.6 — 5.20

Hambro Pacific Fund Mgmt. Ltd.
2110, Connaught Centre, Hong Kong
Far East Dec. 8 9.42 9.96 — —
Japan Fund 5.39 5.57 — —

Hambros (Guernsey) Ltd./ Hambro Fund Mgrs. (C.I.) Ltd.
P.O. Box 86, Guernsey 0481-26521
C.I. Fund, Dec. 2 137.2 146.1 — 4.0
Intnl. Bond $US103.83 110.46 — 8.60
Int. Equity $US9.73 10.03 — 2.50
Int. Savings 'A' $US0.99 1.05 — 8.00
Int. Savings 'B' $US0.98 1.01 — 2.50
Prices on Dec. 14. Next dealing Dec. 21

Henderson Baring Fund Mgrs. Ltd.
P.O. Box N4723, Nassau, Bahamas
H'son. Brg. Jpn. Fd. $US13.40 13.98 — —
Prices on Nov. 24. Next dealg. date Dec. 14.

Hill-Samuel & Co. (Guernsey) Ltd.
8 LeFebvre St., Peter Port Guernsey, C.I.
Guernsey Tst. 152.2 162.8 — 3.36

Hill Samuel Overseas Fund S.A.
37, Rue Notre-Dame, Luxembourg
$US16.6 17.50 -0.01 —

International Pacific Inv. Mngt. Ltd.
PO Box R237, 56, Pitt St, Sydney, Aust.
Javelin Equity Tst. $1.87 2.01 — —

J.E.T. Managers (Jersey) Ltd.
PO Box 194, Royal Tst. Hse., Jersey 0534 27441
Jersey Extrnl. Tst. 129.0 150.0 — —
As at Nov. 30. Next sub. day Dec. 30.

Jardine Fleming & Co. Ltd.
46th Floor, Connaught Centre, Hong Kong
Jardine Estn. Tst. $HK279.24 — 2.90
Jardine Fpn. Fd.* $HK268.68 — 1.10
Jardine S.E.A. $US11.86 — 2.60
Jardine Phlp. Tst. $US10.40 — 3.70
Jardine Flem. Int.† $HK8.90 — —
NAV Nov. 30. *Equivalent $US57.66. Next sub. Dec. 15.

Kemp-Gee Management Jersey Ltd.
1, Charing Cross, St. Helier, Jersey. 0534 73741
Kemp-Gee Capital 86.3 89.0 — —
Kemp-Gee Income 63.8 65.8 — 8.82

Keyselex Mngt. Jersey Ltd.
PO Box 98, St. Helier, Jersey. (Enq 01-606 7070)
Fonselex SF1,452 1,590 — 2.80
Keyselex Int'l. £6.03 6.73 — 4.46
Keyselex Europe £3.96 4.38 — 3.77
Japan Gth. Fund $US19.28 20.74 — —
Keyselex Japan £8.00 8.74 — —
Cent. Assets Cap. £129.30 +0.02 —

King & Shaxson Mgrs.
1 Charing Cross, St. Helier, Jersey.
1 Thomas Street, Douglas, Isle of Man
Gilt Fund (Jersey) 10.32 10.38 +0.18 11.00
Gilt Trust (I.o.M.) 111.90 114.70 — 11.00
Intl. Govt. Secs. Tst.
First Sterling 14.63 15.07 +0.27 —
First Intl. $US159.24 160.88 +3.10 —

Kleinwort Benson Limited
20, Fenchurch St., EC3 01-623 8000
Eurinvest. Lux. F. 1,025 -4.0 4.60
Guernsey Inc. 59.2 63.7 — 4.89
Do. Accum. 72.1 77.7 — 4.89
KB Far East Fd. $US9.55 -0.04 1.47
KB Intl. Fund $US10.92 — 1.83
KB Japan Fund $US24.55 — 0.65
K.B. U.S. Gwth. Fd. $10.49 — —
Signet Bermuda $US4.49 — 1.78
*Unifonds (DM) 17.75 18.70 -0.10 9.10
*KB act as London paying agents only.

Lloyds Bk. (C.I.) U/T Mgrs.
P.O. Box 195, St. Helier, Jersey. 0534 27561
Lloyds Tst. O'seas 52.1 54.8 — 2.34
Next dealing date Dec. 15.

Lloyds International Mgmnt. S.A.
7 Rue du Rhone, P.O. Box 179, 1211 Geneva 11
Intl. Growth Fd. SF326.0 346.50 — 2.30
Lloyds Int. Income SF304.50 315.50 — 6.30

M & G Group
Three Quays, Tower Hill EC3R 6BQ. 01-626 4588
Atlantic Ex. Dec 13 $US2.49 2.70 — —
Aust. Ex. Dec. 14 $US1.60 1.70 +0.05 —
Gold Ex. Dec. 14 $US8.80 8.95 -0.20 —
Island 106.4 113.2 -0.5 13.30
(Accum Units) 148.7 158.2 -0.6 13.30

Samuel Montagu Ldn. Agts.
114, Old Broad St., E.C.2. 01-588 6464
Apollo Fd. Dec. 7 SF51.45 55.80 — —
Japfest Nov. 30 $HK8.20 9.90 — 1.80
117 Group Nov. 30 $US10.28 11.23 — 1.91
117 Jersey Nov. 30 £4.66 5.20 — —

Murray, Johnstone (Inv. Adviser)
163, Hope St., Glasgow, C2. 041-221 5521
*Hope St. Fd. $US27.84 — —
*Murray Fund $US9.75 — —
*NAV Nov. 30.

Negit S.A.
10a Boulevard Royal, Luxembourg
NAV Dec. 9 $US9.75 +0.04

Negit Ltd.
Bank of Bermuda Bldgs., Hamilton, Bmda.
NAV Dec. 2 £3.87 — —

Old Court Fund Mngrs. Ltd.
P.O. 58, St. Julians Ct., Guernsey. 0481 26331
Eq. Pr. Nov. 30 49.1 52.8 — 2.61
Inc. Fd. Nov. 1 161.0 171.2 — 8.37
Intl. Fd. Nov. 15 85.8 90.9 — —
Sm. Co. Fd. Nov. 30 134.7 143.2 — 3.32

Old Court Commodity Fd. Mgrs. Ltd.
P.O. Box 58, St. Julian's Ct. Guernsey 0481 26741
O.C. Comdy. Tst.* 124.8 132.8 -2.4 1.72
O.C. Dilr. Cm. Tst.† $26.64 28.21 — —
*Prices on Dec. 14. Next dealing Dec. 30. †Price on Dec. 7. Next dealing date Dec. 21.

Phoenix International
PO Box 77, St. Peter Port, Guernsey.
Inter-Dollar Fund $US2.27 2.45 — —

Property Growth Overseas Ltd.
28 Irish Town, Gibraltar. (Gib) 6106
U.S. Dollar Fund $US94.11 — —
Sterling Fund £127.49 — —

Royal Trust (CI) Fd. Mgt. Ltd.
P.O. Box 194, Royal Tst. Hse., Jersey. 0534 27441
R.T. Int'l. Fd. $US9.95 9.46 — 3.00
R.T. Int'l. (Jsy.) Fd. 89.0 93.0 — 3.2
Prices at Nov. 15. Next dealing Dec. 15

Save & Prosper International
Dealing to:
37 Broad St., St. Helier, Jersey 0534-20591
U.S. Dollar-denominated Funds
Dir. Fxd. Int.**† 9.33 9.92 -0.01 7.86
Internat. Gr.*† 6.12 6.62 — —
Far Eastern*† 32.10 34.71 — —
North American*† 3.51 3.80 — —
Sepro**† $US12.80 $US13.99 -0.09 —
Sterling-denominated Funds
Channel Capital*† 221.9 233.4 -1.5 0.82
Channel Islands*† 141.4 148.9 -1.2 4.99
Commodity*** 128.0 134.8 — —
St. Fxd. Int.***† 119.1 126.1 — 11.02
Prices on *Dec. 12. **Dec. 14. ***Dec. 8. ‡Weekly Dealings.

Schlesinger International Mngt. Ltd.
41, La Motte St., St. Helier, Jersey. 0534 73588.
S.A.I.L. 81 86 — 8.43
S.A.O.L. $US2 87 -1.0 4.60
Gilt Fd. 24.6 24.8 — 11.09
Intl. Fd. Jersey 99 104.0 -1.0 3.53
Intnl. Fd. Lxmbrg. 9.79 10.30 — —

Schroder Life Group
Enterprise House, Portsmouth. 0705 27733
International Funds
£Equity 103.9 110.5 — —
$Equity 112.4 119.6 — —
£Fixed Interest 138.2 147.0 — —
$Fixed Interest 101.7 108.1 -0.1 —
£Managed 121.0 128.7 +0.8 —
$Managed 106.9 113.8 -0.5 —

J. Henry Schroder Wagg & Co. Ltd.
120, Cheapside, E.C.2. 01-588 4000
Cheap $ Dec. 12 11.03 — 2.54
Trafalgar Nov. 30 $US163.08 — —
Asian Fd. Dec. 12 $US1.46 1.41 — 3.54
Darling Fnd. $A1.62 1.73 — 6.19
Japan Fd. Dec. 1 $US5.41 5.78 — —

Singer & Friedlander Ldn. Agents
20, Cannon St., EC4. 01-248 9646
Dekafonds DM25.80 27.20 -0.10 6.09
Tokyo Tst. Dec. 1 $US30.00 — 2.00

Surinvest (Jersey) Ltd. (x)
P.O. Box 98, St. Helier, Jersey. 0534 73673
American Ind. Tst. £7.68 7.84 — 1.28
Copper Trust £10.82 11.05 -0.06 —
Jap. Index Tst. £9.09 9.27 +0.07 —

Surinvest Trust Managers Ltd. (x)
30, Athol Street, Douglas, I.o.M. 0624 23914
The Silver Trust 97.7 99.7 -0.2 —

TSB Unit Trust Managers (C.I.) Ltd.
Bagatelle Rd., St. Saviour, Jersey. 0534 73494
Jersey Fund 44.9 47.3 — 4.86
Guernsey Fund 44.9 47.3 — 4.06
Prices on Dec. 7. Next sub. day Dec. 14.

Tokyo Pacific Holdings N.V.
Intimis Management Co. N.V., Curacao.
NAV per share Dec. 12 $US38.55.

Tokyo Pacific Hldgs. (Seaboard) N.V.
Intimis Management Co. N.V., Curacao.
NAV per share Dec. 12 $US28.83.

Tyndall Group 0534 37331
Hamilton, Bermuda, & St. Helier, Jersey.
Overseas Dec. 7 $US1.06 1.12 — 6.00
(Accum. Units) $US1.57 1.66 — —
TASOC Dec. 7 $US8.33 8.77 — —
3-way Int. Nov. 24 $US2.43 2.56 — —
TOFSL Dec. 7 £6.70 7.25 — 6.00
(Accum. Shares) £10.05 10.85 — —
TASOF Dec. 7 79.0 86.0 — —
(Accum. Shares) 79.0 86.0 — —
Jersey Fd. Dec. 7 177.4 188.2 — 7.50
(Non-J. Acc. Uts.) 242.0 256.6 — —
Gilt Dec. 7 112.6 114.8 — 10.45
(Accum. Shares) 137.8 140.4 — —
Jrsy. Man. Nov. 24 122.0 128.6 — —

Utd. Intnl. Mngmnt. (C.I.) Ltd.
14, Mulcaster Street, St. Helier, Jersey.
U.I.B. Fund $US100 — 8.25

United States Tst. Intl. Adv. Co.
14, Rue Aldringer, Luxembourg.
U.S. Tst. Inv. Fnd. $US10.04 — 1.00
Net asset value Dec. 13.

S. G. Warburg & Co. Ltd.
30, Gresham Street, EC2. 01-600 4555
Cn. Bd. Dec. 13 $US9.28 -0.01 —
Engy. Int. Dec. 13 $US15.67 +0.26 -0.15
Gr. St. $Fd. Nov. 30 $US6.44 — —

Warburg Invest. Mngt. Jrsy. Ltd.
1, Charing Cross, St. Helier, Jsy. CI 0534 73741
CMF Ltd. Nov. 24 $US11.19 11.89 — —
CMT Ltd. Nov. 24 £10.84 11.12 — —
Metals Tst. Nov. 17 £12.15 12.45 — —
TMT Dec. 8 $US9.32 9.56 — —
TMT Ltd. Dec. 8 £9.16 9.39 — —

World Wide Growth Management♦
10a, Boulevard Royal, Luxembourg.
WorldWideGth. Fd. $US12.95 -0.09 —

INSURANCE, PROPERTY, BONDS

Abbey Life Assurance Co. Ltd.
1-3 St. Paul's Churchyard, EC4. 01-248 9111
Equity Fund 35.7 37.6 — —
Equity Acc. 30.1 31.7 — —
Property Fd. 137.1 144.4 — —
Property Acc. 142.8 150.4 — —
Selective Fund 84.2 88.7 — —
Convertible Fund 126.9 133.6 — —
♥Money Fund 118.0 124.3 — —
Pens. Property 159.8 168.3 — —
Pens. Selective 79.2 83.4 — —
Pens. Security 130.2 137.1 — —
Pens. Managed 166.0 174.7 — —
Pens. Equity 155.1 163.3 — —
♥Prop. Fd. Ser. 4 118.4 124.7 — —
♥Man. Fd. Ser. 4 126.5 133.2 — —
♥Equity Fd. Ser. 4 33.1 34.9 — —
♥Conv. Fd. Ser. 4 108.4 114.2 — —
♥Money Fd. Ser. 4 106.7 112.4 — —
Prices at Dec. 13. Valuations normally Tues.

Albany Life Assurance Co. Ltd.
31, Old Burlington St., W.1. 01-437 5962
♥Equity Fd. Acc. 170.4 179.3 — —
♥Fixed Int. Acc. 136.8 143.1 — —
♥Gtd. Money Fd. Ac. 111.8 117.7 — —
♥Intl. Man. Fd. Acm. 98.0 103.1 — —
♥Prop. Fd. Acc. 105.6 111.1 — —
♥M'ple Inv. Acc. 155.4 163.5 — —
Equity Pen. Fd. Acc. 197.3 207.7 — —
Fixed I. Pen. Acc. 167.6 176.3 — —
G'td. Mon. Pen. Acc. 124.3 130.8 — —
Intl. Mn. Pn. Fd. Acc. 102.7 108.1 — —
Prop. Pen. Acc. 117.8 124.0 — —
M'ple Inv. Pen. Acc. 186.5 196.3 — —

AMEV Life Assurance Ltd.♥
Alma Hse., Alma Rd., Reigate. Reigate 40101.
AMEV Managed 127.3 134.1 — —
AMEV Mgd. 'B' 105.4 111.1 — —
AMEV Money Fd. 102.8 108.2 — —
AMEV Mgd. Pen. Fd. 96.9 102.1 — —
AMEV Mgd. Pen. 'B' 97.8 103.0 — —
Flexiplan 99.1 104.3 — —

Arrow Life Assurance
30 Uxbridge Road, W12. 01-749 9111
Sel. Mt. Fd. Cp. Unt. 60.4 64.0 — —
Sel. Mt. Fd. St. Unt. 96.0 101.5 — —

Barclays Life Assur. Co. Ltd.
252 Romford Rd., E.7. 01-534 5544
Barclaybonds* 117.8 123.2 +0.5 —
Equity 107.7 113.4 -0.6 —
Gilt-edged 111.8 117.7 -0.8 —
Property 97.0 102.2 — —
Managed 103.4 108.9 -0.5 —
Money 96.6 101.7 — —
Man. Pens. Accum. 96.7 101.8 — —
Do. Initial 96.0 101.1 — —
Gilt Edg. Pens. Acc. 96.7 101.8 — —
Do. Initial 95.9 101.0 — —
Money Pens. Acc. 96.2 101.3 — —
Do. Initial 95.5 100.6 — —
*Current unit value Dec. 15

Beehive Life Assur. Co. Ltd.♥
71, Lombard St., EC3. 01-623 1288
Black Horse Bd. 127.39 — —

Canada Life Assurance Co.
2-6 High St., Potters Bar, Herts. P. Bar 51122
Grth. Fd. Dec. 1 57.6 — —
Retmt. Fed. Dec. 6 116.5 — —

Cannon Assurance Ltd.♥
1, Olympic Wy., Wembley HA9 0NB 01-902 8876
Equity Units £16.23 — -0.10 —
Property Units £11 — — —
Equity Bond/Exec. £10.96 11.68 -0.07 —
Prop. Bond/Exec. £12.01 12.71 — —
Bal. Bd. Exec/Unit £12.46 13.12 -0.03 —
Deposit Bond 109.2 115.4 — —
Equity Accum. 165 — -1 —
Property Accum. £11.09 — — —
Mngd. Accum. 1.481 — -4 —
2nd Equity 89.5 94.7 -0.7 —
2nd Property 94.9 100.4 — —
2nd Managed 92.7 98.1 -0.3 —
2nd Deposit 94.9 100.4 — —
2nd Gilt 93.4 98.8 — —
2nd Eq. Pens/Acc. 89.5 94.7 -0.7 —
2nd Prp Pens/Acc. 94.9 100.4 — —
2nd Mgd. Pens/Acc. 92.7 98.1 -0.3 —
2nd Dep Pens/Acc. 94.9 100.4 — —
2nd Gilt Pens/Acc. 93.4 98.8 — —
L & E S.I.F. 37.0 39.5 — —
L & E S.I.F. 2 26.0 28.0 — —
Current value Dec. 13.

Capital Life Assurance♥
Coniston House, Chapel Ash Wton 0902 28511
Key Invest. Fd. 99.63 — —
Pacemaker Inv. Fd. 98.06 — —

Charterhouse Magna Gp.♥
18, Chequers Sq., Uxbridge UB8 1NE 32181
Chrthse. Energy 35.4 37.4 — —
Chrthse. Money 29.0 30.6 — —
Chrthse. Managed 37.6 39.6 — —
Chrthse. Equity 34.0 35.8 — —
Magna Bld. Soc. 124.6 — —
Magna Managed 155.3 — —

City of Westminster Assur. Soc. Ltd.
Ringstead House, 6, Whitehorse Road, Croydon, CR0 2JA. 01-684 9664.
First Units 113.1 120.8 — —
Property Units 52.6 54.7 — —

City of Westminster Ass. Co. Ltd.
Ringstead House, 6, Whitehorse Road, Croydon, CR0 2JA. 01-684 9664.
West Prop Fund 56.1 59.0 — —
Managed Fund 165.6 174.3 — —
Equity Fund 53.8 56.6 -0.7 —
Farmland Fund 68.5 72.1 — —
Money Fund 119.0 125.2 — —
Gilt Fund 64.8 68.2 — —
PULA Fund 166.2 168.5 — —
Fund currently closed to new investment
Perform. Units 190.4 — —

Commercial Union Group
St. Helen's, 1, Undershaft, EC3. 01-283 7500
Variable An. Ac. Uts. 52.77 — —
Do. Annuity Uts. 17.54 — —

Confederation Life Insurance Co.
50, Chancery Lane, WC2A 1HE 01-242 0282
♥Equity Fund 146.8 154.1 — —
♥Managed Fund 176.2 185.0 — —
Personal Pen. Fd. 69.8 73.3 — —
Equity Pen. Fund 218.2 — —
Fixed Int. Pen. Fd. 198.3 +0.4 —
Managed Pen. Fd. 176.6 — —
Property Pen. Fd. 122.9 — —
♥Protected In. Pol. 366.8 — —

Cornhill Insurance Co. Ltd.
32, Cornhill, E.C.3. 01-626 5410
Capital Nov. 15 117.0 — —
GS Spec. Nov. 15 48.5 — —
Mn. Gth. Fd. Nov. 20 161.5 170.5 — —

Credit & Commerce Insurance
120, Regent St., London W1R 5FE 01-439 7081
C&C Mngd. Fd. 121.0 130.0 — —
Managed Fds. 58.36 61.28 — —

Crusader Insurance Co. Ltd.
Vincula House, Tower Pl., EC3. 01-626 8031
Gth. Prop. Dec. 6 63.9 71.1 — —

Eagle Star Insur/Midland Ass.
1, Threadneedle St., EC2. 01-588 1212
Eagle/Mid. Units 50.0 51.9 -0.7 5.87

Equity & Law Life Ass. Soc. Ltd.♥
Amersham Road, High Wycombe 0494 33377
Equity Fd. 107.6 113.2 -1.8 —
Property Fd. 101.1 106.4 — —
Fixed Interest F. 111.1 116.9 — —
Gtd. Deposit Fd. 97.1 102.2 — —
Mixed Fd. 106.2 111.7 -0.9 —

General Portfolio Life Ins. C. Ltd.♥
60 Bartholomew Ct., Waltham Cross. WX31971
Portfolio Fund 122.7 — —
Portfolio Capital 41.4 43.5 — —

Gresham Life Ass. Soc. Ltd.
2 Prince of Wales Rd., B'mouth. 0202 767655
G.L. Gilt Fund 114.2 120.2 +0.9 —

Growth & Sec. Life Ass. Soc. Ltd.♥
Weir Bank, Bray-on-Thames, Berks. Tel. 34284
Flexible Finance £1,082 — —
Landbank Secs. 56.53 — —
Landbank Sec. Acc. 116.9 120.0 — —
G. & S. Super Fd. £8,057 — —

Guardian Royal Exchange
Royal Exchange, E.C.3. 01-283 7107
Property Bonds 155.8 162.2 — —

Hambro Life Assurance Limited♥
7 Old Park Lane, London, W1 01-499 0031
Fixed Int. Dep. 122.9 129.4 — —
Equity 166.1 174.9 — —
Property 150.0 157.9 — —
Managed Cap. 134.0 141.1 — —
Managed Acc. 161.9 170.5 — —
Overseas 116.9 123.1 — —
Gilt Edged 121.2 127.6 — —
Pen. F.I. Dep. Cap. 125.8 132.5 — —
Pen. F.I. Dep. Acc. 143.9 151.5 — —
Pen. Prop. Cap. 188.7 198.7 — —
Pen. Prop. Acc. 238.2 250.8 — —
Pen. Man. Cap. 198.0 208.5 — —
Pen. Man. Acc. 249.9 263.1 — —
Pen. Gilt Edg. Cap. 123.4 129.9 — —
Pen. Gilt Edg. Acc. 127.3 134.1 — —
Pen. B.S. Cap. 120.7 126.8 — —
Pen. B.S. Acc. 134.7 141.5 — —

Hearts of Oak Benefit Society
Euston Road, London, NW1 01-387 5020
Hearts of Oak 37.1 35.1 — —

♥Hill Samuel Life Assur. Ltd.
NLA Twr., Addiscombe Rd., Croy. 01-686 4355
♦Property Units 142.6 149.2 — —
Property Series A 96.2 101.3 — —
Managed Units 157.0 165.4 -2.0 —
Managed Series A 92.8 97.8 -1.2 —
Managed Series C 92.2 97.2 -1.2 —
Money Units 117.8 124.1 +0.1 —
Money Series A 95.4 100.5 — —
Fixed Int. Ser. A 92.9 97.8 -0.5 —
Pns. Mgd. Cap. 141.1 148.6 — —
Pns. Mgd. Acc. 146.1 153.8 — —
Pns. Gtd. Cap. 104.1 109.6 — —
Pns. Gtd. Acc. 107.8 113.5 — —

Imperial Life Ass. Co. of Canada
Imperial House, Guildford. 71255
Grwth. Fd. Dec. 2 69.1 75.1 — —
Pens. Fd. Dec. 2 64.6 70.2 — —
Unit Linked Portfolio
Managed Fund 95.0 100.0 — —
Fixed Int. Fd. 95.0 100.0 — —
Secure Cap. Fd. 95.0 100.0 — —
Equity Fund 95.0 100.0 — —

Irish Life Assurance Co. Ltd.
11, Finsbury Square, EC2. 01-628 8253
Blue Gt. Dec. 1 68.8 72.4 — 4.40
Managed Fund 209.8 220.8 — —
Prop. Mod. Dec. 1 161.8 170.3 — —
Prop. Mod. Gth. 175.3 184.5 — —

King & Shaxson Ltd.
52, Cornhill, EC3. 01-623 5433
Bond Fd. Exempt 116.08 118.22 +0.71 —
Next dealing day Dec. 21.
Govt. Sec. Bd. 128.70 135.40 -0.50 —

Langham Life Assurance Co. Ltd.
Langham Hs, Holmbrook Dr., NW4. 01-203 5211
Langham 'A' Plan 63.8 67.3 — —
♥Prop. Bond 138.9 146.2 — —
Wisp (SP) Man Fd 69.5 73.1 — —

Legal & General (Unit Assur.) Ltd.
Kingswood House, Kingswood, Tadworth, Surrey KT20 6EU. Burgh Heath 53456
Cash Initial 95.2 100.3 — —
Do. Accum. 95.4 100.5 — —
Equity Initial 109.4 115.7 -2.4 —
Do. Accum. 110.0 115.8 -2.5 —
Fixed Initial 110.2 116.1 -0.7 —
Do. Accum. 110.4 116.3 -0.7 —
Managed Initial 110.1 115.9 -1.8 —
Do. Accum. 110.3 116.1 -1.8 —
Property Initial 95.1 100.2 — —
Do. Accum. 95.2 100.3 — —

Life Assur. Co. of Pennsylvania
39-42 New Bond St., W1Y 0RQ. 01-493 8395
LACOP Units 1035 1087 — —

Lloyds Bk. Unit Tst. Mngrs. Ltd.
71, Lombard St., EC3. 01-623 1288
Exempt 101.1 106.4 — 7.68

Lloyds Life Assurance
12 Leadenhall St., EC3M 7LS. 01-623 6621
Mlt. Gth. Dec. 8 1,249.84 — —
Opt. 5 Prp. Dec. 8 121.6 128.1 — —
Opt. 5 Eqty. Dec. 8 121.1 127.5 — —
Opt. 5 Hy. Dec. 8 153.7 161.8 — —
Opt. 5 Man. Dec. 8 141.1 148.6 — —
Opt. 5 Dept. Dec. 8 119.3 125.6 — —

London Indemnity & Gnl. Ins. Co. Ltd.
18-20, The Forbury, Reading 583511.
Money Manager 29.7 31.8 — —
M.M. Flexible 26.5 28.0 -0.1 —
Fixed Interest 33.8 35.7 — —

The London & Manchester Ass. Gp.♥
The Leas, Folkestone, Kent. 0303 57333
Cap. Growth Fund 209.3 — —
♦Exempt Flex. Fd. 126.7 — —
♦Exempt Prop. Fd. 84.1 — —
♦Expt. Inv. Tst. Fd. 141.9 — —
Flexible Fund 108.2 — —
Inv. Trust Fund 130.2 — —
Property Fund 78.0 — —

M & G Group♥
Three Quays, Tower Hill EC3R 6BQ 01-626 4588
Pers. Pension** 196.2 — —
Conv. Deposit* 115.5 121.6 — —
Equity Bond* 126.0 132.6 — —
Family 79-80** 149.3 — —
Family 81-86** 164.9 — —
Gilt Bond*** 105.1 110.5 — —
Internatnl. Bond* 85.6 90.2 — —
Managed Bd*** 122.9 129.2 — —
Property Bd** 143.6 150.9 — —
Ex. Yield Fd. Bd.* 75.4 79.3 +0.6 —
Recovery Fd. Bd.* 57.6 59.9 +0.2 —
American Fd. Bd.* 45.6 48.1 +0.1 —
Japan Fd. Bd.* 41.0 43.2 -0.6 —
Prices on *Dec. 7. **Dec. 8. ***Dec. 9.

Merchant Investors Assurance♥
125, High Street, Croydon. 01-686 9171
Conv. Dep. Fd. 126.5 — —
Money Mkt. B. 143.6 — —
Mer. Inv. Man. Fd. 103.7 — —
Mer. Inv. Pty. Bd. 142.0 — —
Equity Bond 59.4 — —
Prop. Pens. 145.8 — —
Man. Pens. 133.1 — —
Equity Pens. 167.9 — —
Conv. Dep. Pens. 135.8 — —
Mon. Mkt. Pens. 183.0 — —

NEL Pensions Ltd.
Milton Court, Dorking, Surrey. 5911
Nelex Eq. Cap. 75.1 79.0 — —
Nelex Eq. Accum. 110.1 115.8 -1.1 —
Nelex Money Cap. 61.5 64.7 — —
Nelex Mon. Acc. 63.5 66.8 — —
Next sub. day Dec. 24.

New Court Property Fund Mngrs. Ltd.
St. Swithins Lane, London, EC4. 01-626 4356
N.Ct. Pr. F Sept 30 109.2 116.2 — —
Next sub. day Dec. 30.

NPI Pensions Management Ltd.
48, Gracechurch St., EC3P 3HH. 01-623 4200
Managed Fund 144.4 150.5 — —
Prices Dec. 1. Next dealing Dec. 30.

Norwich Union Insurance Group
PO Box 4, Norwich NR1 3NG. 0603 22200
Managed Fund 203.3 214.0 -1.4 —
Equity Fund 316.4 333.0 -4.7 —
Property Fund 120.1 126.4 — —
Fixed Int. Fund 157.8 166.1 — —
Deposit Fund 101.4 106.7 — —
Nor. Unit Nov. 15 199.0 — —

Phoenix Assurance Co. Ltd.
4-5, King William St., EC4P 4HR. 01-626 9876
Wealth Ass. 103.9 109.4 -1.9 —
Eb'r. Ph. Ass. 69.6 — —
Eb'r. Ph. Eq. E. 69.5 72.9 — —

Prop. Equity & Life Ass. Co.♥
119, Crawford Street, W1H 2AS. 01-486 0857
R. Silk Prop. Bd. 158.7 — —
Do. Equity Bd. 69.8 — —
Do. Fx. Mny. Bd. Fd. 151.9 — —

Property Growth Assur. Co. Ltd.♥
Leon House, Croydon, CR9 1LU 01-680 0606
Property Fund 168.7 — —
Property Fund (A) 168.3 — —
Agricultural Fund 680.7 — —
Agric. Fund (A) 676.4 — —
Abbey Nat. Fund 147.8 — —
Abbey Nat. Fd. (A) 147.7 — —
Investment Fund 65.4 — —
Investment Fd. (A) 65.9 — —
Equity Fund 163.7 -3.0 —
Equity Fund (A) 163.1 -3.0 —
Money Fund 135.3 — —
Money Fund (A) 134.7 — —
Actuarial Fund 107.5 — —
Gilt-edged Fund 126.1 — —
Gilt-Edged Fd. (A) 126.1 — —
♦Retire Annuity 167.9 — —
♦Immed. Ann'ty 137.0 — —
Prop. Growth Pensions & Annuities Ltd.
All Wther Ac. Uts. 126.6 133.3 — —
♥All Weather Cap. 120.9 127.2 — —
♥Inv. Fd. Uts. 133.0 — —
Pension Fd. Uts. 124.7 — —
Conv. Pens. Fd. 138.5 — —
Cnv. Pns. Cap. Ut. 128.1 — —
Man. Pens. Fd. 142.0 — —
Man. Pens. Cap. Ut. 133.0 — —
Prop. Pens. Fd. 138.7 — —
Prop. Pens. Cap. Uts. 129.0 — —
Bdg. Soc. Pen. Ut. 125.2 — —
Bdg. Soc. Cap. Ut. 116.9 — —

Provincial Life Assurance Co. Ltd.
222, Bishopsgate, E.C.2. 01-247 6533
Prov. Managed Fd. 112.4 118.3 — —
Prov. Cash Fd. 103.8 108.5 — —
Gilt Fund 20 124.0 132.7 — —

Prudential Pensions Limited♦
Holborn Bars, EC1N 2NH. 01-405 9222
Equit. Fd. Nov. 16 £24.38 24.85 — —
Fxd. Int. Nov. 16 £19.43 19.69 — —
Prop. F. Nov. 16 £23.24 23.96 — —

Reliance Mutual
Tunbridge Wells, Kent. 0892 22271
Rel. Prop. Bds. 190.2 — —

Royal Insurance Group
New Hall Place, Liverpool. 051 227 4422
Royal Shield Fd. 131.1 138.7 -0.5 —

Save & Prosper Group♥
4, Gt. St. Helen's, Ldn., EC3P 3EP 01-554 8899
Bal. Inv. Fd. 118.4 125.3 -0.4 —
Property Fd.* 142.6 150.9 — —
Gilt Fd. 120.1 126.5 -0.4 —
Deposit Fd.*** 120.6 127.0 — —
Company Pens. Fd.† 196.8 207.2 +2.4 —
Equity Pens. Fd. 168.6 179.1 -2.3 —
Prop. Pens. Fd.* 197.6 208.6 — —
Gilt Pension Fd. 93.7 98.7 -0.6 —
Deposit Pens. Fd.** 95.2 100.3 — —
Prices on *Dec. 7. **Prices on Dec. 1. ***Prices Dec. 6. †Weekly dealings.

Schroder Life Group♥
Enterprise House, Portsmouth. 0705 27733
Equity Nov. 22 220.6 — —
Equity 2 Dec. 6 210.6 221.8 +0.2 —
Equity 3 Dec. 6 115.8 121.0 +0.1 —
Fixed Int. Dec. 6 141.3 148.8 +2.0 —
Fixed Int. Dec. 6 151.7 159.7 +2.2 —
Int. U.T. Dec. 6 122.6 129.0 -2.7 —
K&S Gilt Dec. 6 151.9 154.0 -6.4 —
K&S Govt. Sc. Dec. 6 128.7 135.5 +5.7 —
Mgd. (Flx) Dec. 6 127.7 134.5 +0.4 —
Mngd 3 Dec. 6 140.5 147.8 +0.4 —
Money Dec. 6 105.2 110.8 +0.1 —
Money 3 Dec. 6 115.8 121.9 +0.3 —
Deposit Dec. 6 111.4 117.4 +0.1 —
Property Dec. 6 143.5 151.0 +0.1 —
Property 3 Dec. 6 141.4 148.8 +0.1 —
BSPn. Cp. Dec. 6 124.8 — +0.3 —
BSPn. Acc. Dec. 6 124.9 — +0.2 —
Mn. Pn. Cp. Dec. 6 192.3 202.5 +0.2 —
Mn. Pn. Acc. Dec. 6 224.2 236.1 +0.4 —

Scottish Widows' Group
PO Box 902, Edinburgh EH16 5BU. 031-655 6000
Inv. Ply. Series 1 101.2 101.1 — —
Inv. Ply. Series 2 95.6 100.7 — —
Inv. Cash F. Dec. 9 95.7 100.8 — —
Ex. Ut. Tr. Dec. 7 136.6 141.8 — —
Mgd. Pen. Dec. 7 247.0 253.6 — —

Solar Life Assurance Limited
107 Cheapside, EC2V 6DU. 01-606 0471
Solar Managed S 122.8 129.3 -1.4 —
Solar Property S 104.2 109.7 — —
Solar Equity S 145.9 153.6 -4.0 —
Solar Fxd. Int. S 118.4 124.7 +0.1 —
Solar Cash S 99.5 104.7 — —
Solar Managed P 122.7 129.2 -1.4 —
Solar Property P 104.1 109.6 — —
Solar Equity P 145.8 153.5 -4.0 —
Solar Fxd. Int. P 118.3 124.6 +0.1 —
Solar Cash P 99.4 104.6 — —

Sun Alliance Fund Mangmt. Ltd.
Sun Alliance House, Horsham. 0403 64141
Eqt. Fd. Int. Nov. 9 £153.9 163.6 -1.0 —
Int. Bn. Dec. 13 £11.63 — —

Sun Alliance Linked Life Ins. Ltd.
Sun Alliance House, Horsham 0403 64141
Equity Fund 95.0 100.0 — —
Fixed Interest Fd. 95.0 100.0 — —
Property Fund 95.0 100.0 — —
International Fd. 91.9 96.8 +0.1 —
Deposit Fund 95.0 100.0 — —
Managed Fund 94.5 99.5 — —

Sun Life of Canada (U.K.) Ltd.
2, 3, 4, Cockspur St., SW1Y 5BH 01-930 5400
Maple Lf. Grth. 197.6 — —
Maple Lf. Mangd. 133.5 — —
Maple Lf. Eqty. 124.6 — —
Persnl. Pn. Fd. 198.1 — —

Target Life Assurance Co. Ltd.
Target House, Gatehouse Rd., Aylesbury, Bucks. Aylesbury (0296) 5941
Man. Fund Inc. 94.9 100.4 — —
Man. Fund Acc. 112.4 118.9 — —
Prop. Fd. Inc. 102.1 108.2 — —
Prop. Fd. Acc. 126.9 — —
Prop. Fd. Inv. 99.0 — —
Fixed Int. Fd. Inc. 109.2 115.4 — —
Dep. Fd. Acc. Inc. 96.5 101.9 — —
Ret. Plan Ac. Pen. 68.9 74.9 -1.2 —
Ret. Plan Cap. Pen. 57.0 61.9 -1.0 —
Ret. Plan Man. Acc. 124.6 131.9 — —
Ret. Plan Man. Cap. 116.9 123.7 — —
Gilt Pen. Acc. 136.0 143.6 +1.7 —
Gilt Pen. Cap. 131.0 138.3 +1.5 —

Transinternational Life Ins. Co. Ltd.
2 Bream Bldgs., EC4 1NV. 01-405 6497
Tulip Invest. Fd. 132.4 139.4 — —
Tulip Mangd. Fd. 106.5 112.1 — —
Man. Bond Fd. 108.9 114.6 — —
Man. Pen. Fd. Cap. 112.0 117.8 — —
Man. Pen. Fd. Acc. 117.2 123.3 — —

Trident Life Assurance Co. Ltd.♥
Renslade House, Gloucester 0452 36541
Managed 119.6 126.6 +1.2 —
Gtd. Mgd. 151.3 160.2 -0.9 —
Property 139.6 147.9 — —
Equity 82.5 87.4 +0.4 —
U.K. Equity Fund 102.0 108.0 -0.1 —
High Yield 137.9 146.0 -0.5 —
Gilt Edged 125.8 133.2 -0.8 —
Money 119.8 126.2 +0.1 —
Int. Money Mangr. 93.9 99.5 -0.3 —
Fiscal 128.1 135.7 -0.5 —
Growth Cap. 128.0 135.5 +1.6 —
Growth Acc. 130.1 137.8 +1.6 —
Pens. Mngd. Cap. 115.6 122.3 — —
Pens. Mngd. Acc. 123.0 130.2 — —
Pens. Gtd. Dep. Cap. 99.5 105.4 — —
Pens. Gtd. Dep. Acc. 101.6 107.6 — —
Pens. Ppty. Cap. 106.8 113.1 — —
Pens. Pty. Acc. 109.0 115.4 — —
Trdt. Bond 34.8 36.8 — —
*Trdt. G.I. Bond 100.5 — —
*Cash value for £100 premium.

Tyndall Assurance/Pensions♥
18, Canynge Road, Bristol. 0272 32241
3-Way Nov. 24 116.5 — —
Equity Nov. 24 148.0 — —
Bond Nov. 24 164.8 — —
Property Nov. 24 95.8 — —
Deposit Nov. 24 124.4 — —
3-Way Pen. Nov. 24 137.2 — —
O'seas Inv. Nov. 24 64.2 — —
Mn. Pn. 3-W Dec. 1 160.6 — —
Do. Equity Dec. 1 243.0 — —
Do. Bond Dec. 1 174.0 — —
Do. Prop. Dec. 1 78.0 — —

Vanbrugh Life Assurance♥
41-43 Maddox St., Ldn. W1R 9LA. 01-499 4923
Managed Fd. 139.3 146.7 -0.7 —
Equity Fd. 217.4 228.9 -2.9 —
Intnl. Fund 87.8 92.5 -0.2 —
Fixed Interst. Fd. 169.7 178.7 -0.5 —
Property Fd. 133.3 140.4 — —
Cash Fund 115.4 121.5 — —

Welfare Insurance Co. Ltd.♥
The Leas, Folkestone, Kent. 0303 57333
Moneymaker Fd. 100.3 — —
For other funds, please refer to The London & Manchester Group.

Windsor Life Assur. Co. Ltd.
1 High Street, Windsor. Windsor 68144
Life Inv. Plans 68.4 72.0 — —
FutureAssd. Gth(a) 19.0 — —
FutureAssd. Gth(b) 47.0 — —
Ret. Assd. Pens. £27.75 — —
Flex. Inv. Growth 106.4 112.0 — —

NOTES

Prices do not include $ premium, except where indicated ♦, and are in pence unless otherwise indicated. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of U.K. taxes. p Periodic premium insurance plans. s Single premium insurance. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. z Previous day's price. ♥ Net of tax on realised capital gains unless indicated by ♦. ‡ Guernsey gross. ‡ Suspended. ♦ Yield before Jersey tax. † Ex-subdivision.

WADKIN MACHINE TOOLS THE NC SPECIALISTS

FT SHARE INFORMATION SERVICE

**BRITISH FUNDS

1977 High	Low	Stock	£	+ or -	Int.	Yield Red.
"Shorts" (Lives up to Five Years)						
101 13/32	95⅝	Treasury 9pc 1978‡‡	100 13/32	.....	8.92	5.18
104¾	97⅞	Treasury 10½pc '78‡‡	102 15/32xd	+⅛	10.20	5.38
100¾	90⅞	Exch. 5pc '76-78‡‡	99¼	.....	5.04	5.97
107	95⅞	Treasury 11½pc '79‡‡	104¼	.....	11.03	7.81
97¼	84⅞	Treasury 3pc '79‡‡	95⅛	+⅛	3.15	5.95
98¼	85⅛	Electric 4½pc '74-79	95⅞	+⅛	4.43	6.74
106½	92	Treasury 10½pc '79‡‡	103⅛	.....	10.18	8.64
97⅛	84⅞	Electric 3½pc '76-79	95⅛	+⅛	3.68	6.23
107	87¼	Treasury 9pc 1980‡‡	100⅞	.....	8.92	8.55
105¾	88⅝	Treasury 9½pc '80‡‡	101⅛	.....	9.39	8.97
96	82⅞	Treasury 3½pc '77-80	93⅝xd	+⅛	3.74	6.30
98⅛	83⅛	Funding 5¼pc '78-80‡‡	95xd	+⅛	5.53	7.48
112⅞	96⅛	Exchequer 13pc 1980‡‡	108⅞	.....	11.96	9.54
108⅞	92⅞	Treasury 11½pc 1981‡‡	104⅞xd	.....	10.97	9.65
94¼	77⅞	Treasury 3¼pc 1979-81	89⅜	+⅛	3.91	7.21
104	86⅛	Treasury 8¼pc 1981‡‡	100⅜	.....	8.70	9.53
—	—	Exch. 8¾pc 1981●	E96¾	.....	8.53	9.36
103½	97½	Exch. 9½pc 1981	99⅛	-⅛	9.58	9.78
92½	87⅞	Exch. 3pc 1981	87¾	.....	3.42	6.62
98¾	96½	Treas. Variable '81‡‡	96⅛	.....	7.06	7.79
113⅞	96¼	Exch. 12¾pc 1981‡‡	109⅛	-⅛	11.68	9.87
100⅝	82⅞	Treas. 8½pc '80-82‡‡	96⅞xd	+⅛	8.77	9.45
93⅛	71⅝	Treasury 3pc '82‡‡	85¾	.....	3.50	6.99
119¾	101⅝	Treasury 14pc '82‡‡	114⅛	.....	12.27	9.85
98½	96¾	Treas. Variable '82‡‡	96⅜xd	.....	7.19	7.71
98⅝	93⅝	Treasury 8¼pc '82	94⅞xd	+⅛	8.70	9.68
102⅛	93⅝	Exch. 9¼pc 1982	98⅛	.....	9.42	9.72
Five to Fifteen Years						
87⅞	81¼	Exch. 3pc '83	83¾	+⅛	3.62	7.26
113¾	96½	Treasury 12pc 1983‡‡	111¼	+⅛	11.08	9.92
101⅛	96½	Treasury 9¾pc '83	96⅝xd	+⅛	9.49	9.87
95½	72⅝	Funding 5½pc '82-84‡‡	87⅞xd	+⅛	6.23	7.96
100¼	77⅜	Treasury 8¼pc '84-86‡‡	94⅜xd	+⅛	8.95	9.34
87⅞	66¼	Funding 6½pc '85-87‡‡	85⅛	+⅛	7.64	9.01
94	68½	Treasury 7¾pc '85-88‡‡	90½	+⅛	8.65	9.69
74⅞	49⅞	Transport 3pc '78-88	66xd	+⅛	4.51	7.76
76⅞	53⅞	Treasury 5pc '86-89	72⅛	+⅛	6.97	8.90
121¼	90	Treasury 13pc 1990‡‡	110⅞xd	+¼	11.61	11.18
94¾	67⅛	Treasury 8¼pc '87-90‡‡	86½xd	+¼	9.54	10.1[illegible]
112	88¾	Treasury 11¾pc 1991	102⅞xd	+¼	11.41	11.32
76½	53⅞	Funding 5¾pc '87-91‡‡	72½	+⅛	8.06	9.60
118	86¼	Treasury 12¾pc '92‡‡	113⅝	+¼	11.75	11.50
95½	89¾	Treasury 10pc 1992	92	+¼	10.96	11.25
112½	89½	Exch. 12¼pc '92	106⅝	+¼	11.68	11.54
Over Fifteen Years						
116¼	84½	Treasury 12½pc '93‡‡	106¼xd	+¼	11.65	11.50
73¾	51⅞	Funding 6pc 1993‡‡	69⅝	+⅛	8.81	10.09
126½	96	Treasury 13¾pc 1993‡‡	115⅞	+¼	11.95	11.65
129¾	99	Treasury 14½pc '94‡‡	124⅜	+¼	12.06	11.69
113¼	94⅝	Exch. 12½pc 1994	109⅞	+¼	11.73	11.60
96	66¼	Treasury 9pc '94‡‡	86⅝	+¼	10.47	10.33
110¾	97⅞	Treasury 12pc '95	106	+¼	11.58	11.51
50½	32⅝	Gas 3pc '90-95	49⅛	+⅛	6.11	8.75
120¾	87	Treasury 12¾pc '95‡‡	109⅞	+¼	11.72	11.56
92½	66¾	Treasury 9pc '92-96‡‡	87⅞	+¼	10.57	10.89
133¾	101⅛	Treasury 15¼pc '96‡‡	127⅞	+¼	12.12	11.78
124	89¾	Exchequer 13¼pc '96‡‡	113⅝	+¼	11.77	11.59
49⅝	31¾	Redemption 3pc 1986-96	48¼	+⅛	6.30	8.71
122½	87⅛	Treasury 13¾pc '97‡‡	117½	+¼	11.81	11.63
97¼	90⅞	Exchequer 10½pc 1997	94⅛	+¼	11.21	11.32
89⅝	64⅞	Treasury 8¾pc 1997‡‡	85⅝	+¼	10.53	10.84
72⅝	50¾	Treasury 6¾pc '95-98‡‡	69⅞	+¼	9.77	10.45
136½	103⅞	Treas. 15½pc '98‡‡	131¾	+¼	12.06	11.78
97	65⅞	Treasury 9½pc 1999‡‡	88⅝xd	+¼	10.68	10.85
44¾	27⅝	Funding 3½pc '99-04	40¼xd	+⅛	8.53	9.75
82¼	57½	Treasury 8pc '02-06‡‡	78⅛	+¼	10.45	10.61
59	40⅛	Treasury 5½pc '08-12‡‡	55⅝	+⅛	10.11	10.37
80⅜	53¾	Treasury 7¾pc '12-15‡‡	76⅞	+⅛	10.49	10.57
Undated						
38⅞	26⅝	Consols 4pc	37⅞	+¼	11.15	—
38⅛	25⅝	War Loan 3½pc‡‡	35¾	+¼	9.83	—
39¾	26¼	Conv. 3½pc '61 Aft.	37¾	+¼	9.45	—
28¼	20½	Treasury 3pc 66 Aft.	27¼	+⅛	11.25	—
24	17¼	Consols 2½pc	22⅜xd	+⅛	10.92	—
23½	17⅛	Treasury 2½pc	22¼	+⅛	11.24	—

**INTERNATIONAL BANK

88¼	75½	5pc Stock '77-82	87¼	.....	5.73	8.34

**CORPORATION LOANS

100	82	Birm'ham 9¾pc '79-81	96¾	.....	9.57	10.31
93½	81½	Bristol 7¾pc '79-81	92	.....	8.42	10.28
107	93	G.L.C. 12½pc '82	105¼xd	.....	11.88	10.97
109¾	95¾	Do. 12½pc 1983	105¾	.....	11.91	11.27
102½	85½	Glasgow 9¼pc '80-82	95⅝	.....	9.64	10.33
94	76¾	Herts. 5½pc '78-80	91½xd	.....	5.74	9.22
99	90½	Liverpool 5¾pc '76-78	97¾	.....	5.88	8.67
102½	79½	Do. 9¼pc '80-84	100½xd	.....	9.77	9.80
29¼	22¾	Do. 3½pc Irred.	26½xd	.....	12.38	—
100	89	Lon. Corp. 6¼pc '75-78	98⅝	.....	6.57	8.27
99½	75	Do. 9¼pc '84-85	97½	.....	9.57	10.85
96½	85½	L.C.C. 6pc '76-79	94¼	.....	6.36	9.72
91¼	70½	Do 5½pc '77-81	90	.....	6.07	8.57
85½	60½	Do 5½pc '82-84	84	+1	6.72	9.25
79	52½	Do 5¾pc '85-87	73xd	.....	7.54	9.96
79	51¾	Do 6¾pc '88-90	73½xd	.....	9.12	10.52
27¼	20	Do. 3pc '20 Aft.	25xd	.....	12.22	—
93½	76¾	Middx. 5¾pc 1980	91½	.....	5.74	9.50
100	84¾	Newcastle 9¾pc '78-80	98	.....	9.44	10.08
107¼	90⅞	Warwick 12½% 1980	105¾xd	.....	11.82	10.14

COMMONWEALTH & AFRICAN LOANS

99¾	88¾	**Aust. 5½pc '75-78	98¾	.....	5.63	8.55
96	79¼	**Do. 5½pc '77-80	92¾xd	.....	5.91	9.30
87½	69¾	**Do. 5½pc '81-82	86¼	.....	6.46	9.81
98¼	86½	**N.Z. 4pc 1976-78	96¼xd	.....	4.16	8.16
94¾	81½	**Do. 6pc '76-80	92½	.....	6.47	9.70
89	66	**Do. 7½pc '83-86	85¾xd	.....	8.79	10.12
92½	85	Sth. Africa 9½pc '79-81	90	.....	10.68	13.22
65	31	Sth. Rhod. 2½pc '65-70	58	.....	—	—
78	47	Do. 6pc '78-81	73	.....	—	—

LOANS

Public Board and Ind.

66	44	Agric. Mt. 5pc '59-89	60½xd	.....	8.22	11.11
95	68½	Alcan 10½pc '89-94	87xd	.....	12.07	12.40
31	22	**Met. Wtr. 3pc 'B'	31	.....	9.95	11.59
116	101	U.S.M.C. 9pc 1982	110	-1	8.23	6.60
96	77	Do. without Warrants	90½	.....	10.00	11.80
99	84	Ultramar 7pc '73-78	97½	.....	7.29	11.70

Financial

107	94	**FFI 13pc '81	104¾	-¼	12.41	11.12
111½	98	Do. 14pc '79	107	.....	13.42	11.50
116	100¼	Do. 14pc '83	103¼xd	-¼	12.84	11.86
103	89	ICFC 9pcLn. '77	103	.....	8.75	—
85¾	68	Do. 5½pc Deb. '80-82	84	.....	6.57	10.24
83½	67¾	Do. 6¼pc Db. '81-84	78	.....	8.09	11.00
73	51½	Do. 7¼pc A Deb. '89-92	68xd	.....	10.66	11.90
71½	52½	Do. 7¼pc A Db. '91-94	68	.....	10.98	12.00
81	57	Do. 9pc 'A' '91-94	81	.....	11.45	12.00
83½	59½	Do. 8¾pc Ln. '92-97	77	.....	12.06	12.50

FOREIGN BONDS & RAILS

1977 High	Low	Stock	Price £	+ or -	Div % Gross	Red. Yield
22¼	15	Antofagasta Rly.	19½	.....	—	—
37	32	Do. 5pc Pref.	33xd	.....	B—	—
98	95	Chilean Mixed	98	.....	3	£3.10
355	198	German Yng. 4½pc.	355	.....	4½	—
60	50	Greek 7pc Ass.	50	.....	3½	£7.66
58	50	Do 6pc 28 Stab Ass.	50	.....	6	£6.14
44	38	Do 4pc Mixed Ass.	44	.....	4	£4.64
42	32	Hung. '24 Ass.	42	.....	4½	6.83
77	48	Iceland 6½pc '83-88	77	.....	—	10.00
90½	69½	Ireland 7½pc '81-83	83½xd	.....	—	11.44
87½	65	Do 9¾pc '91-96	87	.....	—	11.85
284	228	Japan 4pc '10 Ass.	283xd	.....	—	—
76	63	Do 6pc '83-88	75½	+1	6	10.15
165	150	Peru Ass. 3pc	165	.....	3	1.83
75	75	S.G.I. 6½pc 1980	75	.....	6½	8.67
$99	$94	Turin 9pc 1991	$99	.....	9	9.09
DM85	DM71	Turin 6½pc 1984	DM85xd	.....	6½	9.55
94	62	Uruguay 3½pc	94	.....	3½	4.00

U.S. $ & DM prices exclude inv. $ premium

AMERICANS

1977 High	Low	Stock	£	+ or -	Div. Gross	Cvr	Y'ld Gr's
18⅝	13	ASA	15⅛	-¼	80c	—	3.0
62¼	58	AMF 5% Conv '87	60½	.....	5%	—	14.7
49⅞	25	Amax $1	26⅛xd	+½	$1.75	—	3.7
30⅝	25⅞	American Express	27⅛	-⅛	$1.40	—	2.9
14	901p	Amer. Medic. Int.	13⅜xd	+¼	24c	—	1.0
11¾	991p	Asarco Inc.	10⅛	+¼	50c	—	0.0
45	32⅝	Baker Intl. Corp $1	35⅛xd	+⅛	64c	—	1.0
16⅛	12¼	Barnes Grp. $6⅔	13⅛xd	+⅛	90c	—	3.8
18⅝	11⅞	Bell & Howell $1	12⅛xd	.....	84c	—	3.8
38⅝	25⅝	Bendix Corp. $5	26⅛xd	.....	$2.28	—	4.5
34⅞	13½	Beth. Steel $8	15⅛xd	-⅛	$1.00	—	3.6
925p	620p	Brown'g Fer. c16⅔	765p	-25	40c	—	2.9
14⅛	827p	Brunswick Corpn.$	11	-⅛	60c	—	3.1
77⅞	47	Burroughs Corp. $5	51⅛xd	+¼	$1.00	—	1.1
51⅞	35⅛	CBS $2.50	37⅛xd	-⅛	$2.80	—	5.0
44⅝	33⅞	C.P.C. $⅓	35⅛	.....	$2.50	—	4.0
48¼	23⅞	Carborundum $1.50	48⅛xd	+¼	$1.24	—	1.5
49⅝	36¼	Caterpillar1	40⅛xd	-⅛	$1.80	—	2.5
28¼	20⅝	Chase M'htn. $12.5	21⅛	+⅛	$2.20	—	5.8
22½	15	Chesebrough $1	16⅛	+⅛	84c	—	2.9
17¾	985p	Chrysler $6¼	10xd	+¼	$1.00	—	5.6
29¾	15⅛	Citicorp $4	16⅛xd	-⅛	$1.06	—	3.6
13¼	898p	City Inv. $1.25	961p	-24	$1.00	—	5.9
22⅝	17⅛	Do. Cm. Prf. B$1	18¾	.....	$2	—	6.0
23¼	15⅛	Colgate-P. $1	15⅛	-⅛	$1.00	—	3.5
49⅛	30¼	Colt Inds. $1	33¼	+¼	$2.75	—	4.0
25¾	18⅛	Cont. Illinois $10	18⅞	-⅛	$1.32	—	4.0
31⅞	20⅞	Cont. Oil $5	20⅞xd	.....	$1.40	—	3.8
38¼	23⅛	Crown Zell. $5	24⅛	+¼	$1.90	—	4.4
27	19½	Cutler-Hammer $5	24⅛xd	+⅛	$1.40	—	3.2
37½	25½	Eaton Crp. $0.50	28⅛xd	-⅛	$2.00	—	4.0
28¼	21⅛	Esmark	21⅛xd	-⅛	$1.84	—	4.7
45⅜	33⅜	Exxon $1	35xd	.....	$3.00	—	4.8
20	11⅛	Firestone Tire $	11⅛	+⅛	$1.10	—	5.3
19½	12⅛	First Chicago $5	13⅛	+⅛	96c	—	3.9
35¼	24⅛	Fluor Corp. $⅝	27⅛	.....	$1.20	—	2.4
41½	30	Ford Motor $2	33xd	.....	$3.20	—	5.4
28⅞	18⅝	GATX	20⅛xd	+⅛	$1.80	—	4.8
47¾	35⅜	Gen. Elect. $2½	36⅛	-⅛	$1.60	—	2.5
25¼	17⅞	Gillette $1	17⅛	-⅛	$1.50	—	4.7
45⅛	31⅝	Honeywell $1.50	33⅛	-⅛	$1.90	—	2.9
251	185	I.B.M. Corp. $5	196	.....	$10.04	—	2.9
66⅛	42⅛	Ingersoll-R $2	43⅜xd	.....	$2.30	—	3.6
23⅛	630p	Int. Systems & Con. $1	815p	-10	25c	—	1.5
11⅛	824p	I. U. International $1	845p	+3	90c	—	6.0
33⅞	20¼	Kaiser Al. $⅓	21⅞	-½	$1.40	—	3.6

AMERICANS—Continued

1977 High	Low	Stock	£	+ or -	Div. Gross	Cvr	Y'ld Gr's
34⅝	23¼	Manf. Han. US$7.50	25⅛	+⅛	$1.92	—	4.2
48	32⅞	Morgan (JP) US$2.5	32⅛	-⅛	$2.36	—	3.5
17¼	13⅞	Norton Simon Inc. $1	14½	.....	76c	—	5.7
25	16	Owens-Ill. $3.125	17	+⅛	h$1.06	—	3.5
22	14½	Quaker Oats US$5	17	+⅛	$1.04	—	3.5
21⅛	14½	Reliance $0.25	17⅛	-⅛	15c	—	—
24	17¼	Rep. N.Y. Corp. $5	19⅛	.....	$1.00	—	3.2
16⅛	11¼	Rexnord $5	12⅞xd	.....	80c	—	3.5
22	15⅜	Richdsn.-Mrrll. $1¼	17⅛xd	+¼	90c	—	2.9
406p	247p	Saul (B. F.) $1	336p	+15	—	—	—
33⅝	21⅛	Shell Oil $1	24⅛	+⅛	h$1.60	—	3.6
20⅝	13⅜	Singer ($10)	14xd	.....	60c	—	2.4
36½	22	Sperry Rand $0.50	25⅛xd	+¼	$1.12	—	2.4
33	23	TRW Inc. $1¼	24⅛xd	.....	$1.60	—	9.3
31⅝	21⅝	Tenneco	23	+¼	$2.00	—	4.9
151	133	Do. 10% Ln. Stk. 91-95	140	.....	10%	—	£7.4
14½	564p	Tesoro Pt. US$0.16⅔	606pxd	-4	$1.00	—	9.3
24¾	19⅛	Texaco $6.25	20⅛	-⅛	$2	—	5.6
31⅛	22¾	Time Inc.	27	-⅛	$1.30	—	2.7
13⅞	10⅛	Transamerica $1	11⅛xd	+⅛	80c	—	4.0
34	26⅝	Utd. Tech. $US5	27½xd	.....	$1.80	—	3.7
41⅛	19⅞	U.S. Steel $1	22⅛xd	-⅛	$2.20	—	5.6
19¼	938p	Vetco $0.50	17xd	+⅛	20c	—	0.7
22	13⅞	Woolworths $3½	14⅛xd	.....	$1.40	—	5.6
49½	34	Xerox Corp. $1	34⅛xd	+¼	$1.60	—	2.6
13⅜	563p	Xonics Inc. 10c	630p	.....	7½c	—	0.7
11⅛	758p	Zapata Corp. 25c	10⅛xd	+⅛	s30c	—	1.6

S.E. List Premium 37⅝% (based on $US1.8455 per £)

Conversion factor 0.7260 (0.7306)

CANADIANS

1977 High	Low	Stock	£	+ or -	Div. Gross	Cvr	Y'ld Gr's
13	10½	Bk. Montreal $2	11⅛xd	-⅛	g$1.06	—	4.5
17⅞	12⅛	Bk. Nova Scotia $1	12⅛	.....	92c	—	3.6
42½	34⅛	Bell Canada 25c	37⅝xd	.....	$4.08	—	5.6
24½	11⅛	Bow Valley‖	14½	-⅛	10c	—	0.4
10⅛	850p	Brascan‖	10xd	-⅛	$1.00	—	5.2
22½	14⅛	Can. Imp. Bk. $2	16⅛	-⅛	$1.40	—	4.3
15	10⅛	Can. Pacific $5	12⅛	+⅛	80c	—	3.5
39¼	26½	Do. 4pc Deb. £100	36xd	.....	4%	—	11.1
22⅞	16⅛	Gulf Oil Can.‖	17⅛xd	+⅛	$1.06	—	3.0
430p	320p	Hawker Sid. Can.‖	385p	.....	40c	—	5.3
26	18⅞	Hollinger $5	19⅛xd	.....	$1.94	—	5.0
13⅞	975p	Hudson's Bay‖	12⅛	+⅛	65c	—	2.7
33¾	21½	Hud. B. Oil G. $2½	32⅛	-⅛	$1.76	—	2.4
18⅛	12	Imperial Oil‖	13½	+⅛	86.4c	—	3.3
28⅛	18	Inco	11⅛	.....	$1.60	—	7.3
875p	655p	Int. Nat. Gas $1	750pxd	.....	80c	—	5.4
18⅛	10⅝	Massey Ferg.‖	11⅛xd	.....	$1.00	—	4.4
26½	20⅝	Pacific Pet. $1	26⅛	-⅛	86.4c	—	1.7
661p	32p	Place Gas $1	61½p	-4	—	—	—
24	15⅛	Rio Algom	16⅛	+⅛	$1.08	—	3.3
22	16	Royal Bk. Can. $2	17⅛	+⅛	$1.38	—	4.0
19⅞	13⅛	Seagram Co. C$1	15½	-⅛	92c	—	3.0
16⅞	10⅛	Tor. Dom. Bk. $1	11½	-⅛	76c	—	3.4
12½	925p	Trans. Can. Pipe	10⅛	.....	95c	—	4.8

S.E. List Premium 37⅝% (based on $2.0250 per £)

BANKS AND HIRE PURCHASE

1977 High	Low	Stock	Price	+ or -	Div Net	Cvr	Y'ld Gr's	P/E
337	245	ANZ $A1	260xd	.....	tQ18c	—	4.3	—
305	180	Alexanders D. £1	245	.....	g14.33	—	8.9	—
£114	£88	Algemene Fl.100	£103¾	+½	Q22%	2.5	3.5	7.4
595	350	Allen Harvey £1	490	-5	‡30.2	—	9.7	—
149	87¼	Allied Irish	146	-2	tQ10.0	—	6.9	—
195	105	Arbuthnot L. £1	165	.....	†9.25	—	8.5	—
£25½	£15¾	Bank Amer. $1.565	£16¾	.....	Q94c	—	3.1	—
350	195	Bk. Ireland £1	333	-5	†13.25	—	6.1	—
£155	£100	Do. 10pc Conv.	£149	-1	Q10%	—	†6.8	—
27	18	Bk. Leumi I£1	21	.....	Q13.3%	—	3.4	—
210	170	Bk. Leumi (UK) £1	170	.....	7.25	—	3.8	—
500	365	Bk. N.S.W. $A2	430xd	+10	Q30c	—	4.3	—
295	222	Bank Scotland £1	275	.....	†9.9	4.1	5.5	6.7
£34¼	£25⅞	Bankers N.Y. $10	£26⅝	.....	Q$3.00	—	6.3	—
345	228	Barclays £1	315	-5	†10.04	4.9	4.8	6.3
210	115	Brown Shipley £1	200	.....	†8.42	—	6.4	—
360	225	Cater Ryder £1	283	.....	†17.57	—	9.4	—
95	50¾	Clive Dis'nt 20p	75	-1	g4.77	—	9.6	—
260	203	Com'l Aus. ($A1)	217	+4	Q16c	2.5	5.2	8.5
£15⅛	£11⅞	Com'zbk DM10	£15⅛	+¼	Q18%	—	3.1	—
£21	£14⅞	C'hgn. Hbk Kr100	£15⅞	.....	Q11%	—	6.7	—
23	6	Corinthian 10p	20	.....	20.2	—	1.5	—
£18½	£11½	Cred. France F75	£15	.....	Q9.87%	—	4.5	—
57	—	Dawes (G. R.)	55xr	.....	—	—	—	—
£103	£84½	Deutsche Bank DM50	£102½	.....	Q20%	—	1.9	—
78	25	F. C. Finance	63	-2	†1.52	7.1	3.7	17.4
3½	¾	First Nat. 10p	2	.....	—	—	—	—
	⅛	Do. Wrrts. 75-83	½	.....	—	—	—	—
12½	7	Fraser Ans. 10p	10	-½	0.03	—	0.5	—
210	128	Gerrard Natnl.	173	-2	g8.17	—	7.2	—
55	37	Gibbs (A.)	47	-1	2.00	—	6.4	—
280	155	Gillett Bros. £1	237	.....	F14.95	—	9.6	—
31	14	Goode D't Mry. 5p	23	-1	0.82	—	5.3	—
126	53	Grindlays	108	.....	†2.54	7.0	3.6	4.2
250	150	Guinness Peat	200	-3	10.0	—	7.6	—
257	140	Hambros	213	-2	†9.52	—	6.8	—
116	73	Hill Samuel	91	-2	†4.32	—	7.2	—
£10¼	400	Do. Warrants	600	.....	—	—	—	—
341	261	Hong Shng. $2.50	289	+1	tQ62c	—	2.5	—
88	54½	Jessel Toynbee	82	.....	g4.03	—	7.5	—
187	102	Joseph (Leo) £1	182	.....	†8.01	—	6.7	—
52	21	Keyser Ullmann	42	-1	0.32	—	1.2	—
80	57	King & Shax 20p	62	-2	†3.39	—	8.3	—
134	76	Kleinwort B.L.	110	-2	†3.75	—	5.2	—
290	185	Lloyds £1	267	-5	†8.26	6.3	4.7	5.2
52	25	Manson Fin. 20p	44	-1	2.79	1.1	9.6	14.8
177	86	Mercury Secs.	128	-3	3.39	—	4.0	—
378	245	Midland £1	365	-3	†12.82	5.4	5.3	5.3
£88	£64½	Do. 7½% 83-93	£83½	-1½	Q7½%	22.0	†9.0	—
£99	£69½	Do. 10¼% 93-98	£91	+¼	Q10¼%	22.8	†12.0	—
65	40	Minster Assets	59	.....	†3.55	2.1	9.1	8.6
275	198	Nat. Bk. Aust. $A1	212	+2	2.63	—	4.6	—
78	58	Nat. Com. Grp.	70xd	-2	2.63	4.2	5.7	6.3
300	205	Nat. West. £1	265	-5	†10.42	4.4	6.0	5.9
485	210	Schroders £1	405	-5	10.40	—	3.9	—
290	173	Seccombe MC £1	220	-10	12.06	—	8.4	—
100	57	Smith St. Aub.	80	.....	†4.55	—	8.6	—
430	293	Stand'd Chart £1	407xd	-5	†17.59	3.9	6.6	5.3
$8¼	8	Trade Dev. $1.50	$8¼	.....	Q55c	3.7	0.0	58.9
515	285	Union Disc £1	435	-5	g21.09	—	7.5	—
56	14	U.D.T.	41	-3	—	—	—	12.1
£24¼	£18	Wells Fargo $5	£20⅛	+⅛	Q$1.12	—	3.5	—
74	37	Wintrust 20p	67	.....	3.03	—	6.9	—

Hire Purchase, etc.

1977 High	Low	Stock	Price	+ or -	Div Net	Cvr	Y'ld Gr's	P/E
42½	15¼	Cattle's (Hdgs) 10p	36	-½	h2.03	1.7	8.8	10.2
£56	£37	Cle B'cre Fr.100	£44	+1	Q12%	—	3.5	—
		Credit Data 10p	8#	.....	—	—	—	—
129	57	Lloyds & Scot. 20p	103	-3	3.58	1.8	5.3	16.1
51	17	Lnd. Scot. Fin. 10p	37	.....	1.7	2.3	7.0	7.7
15	11	Moorgate Merc. 10p	11	-1	—	—	—	19.9
120	59	Prov. Financial	103	.....	†4.43	2.1	6.5	11.4
46	16½	Strlg. Credit 10p	37	.....	1.82	2.3	7.5	(7.3)
13	3	Sturla (G.) 10p	11½	-1½	—	—	—	—
117	44	Wagon Finance	87	-2	†4.12	2.1	7.3	11.3

BEERS, WINES AND SPIRITS

1977 High	Low	Stock	Price	+ or -	Div Net	Cvr	Y'ld Gr's	P/E
96½	57½	Allied Brews.	94	.....	†3.57	1.9	5.6	13.7
33	16	Amal. Dist. Pr. 10p	32	-1	0.25	—	1.2	—
166	86	Bass Char'gton	160xd	-2	4.84	q3.4	4.6	9.7
150	79	Bell Arthur 50p	133xc	-2	†4.78	6.1	3.9	13.9
43	26	Belhaven Brewery	34	-1	—	—	—	—
136	82	Boddingtons	130	.....	†3.91	2.7	4.6	15.8
66	46	Border Brew's	66	.....	†3.19	1.9	7.3	10.9
103	62	Brown (Matthew)	102xd	-2	3.92	2.1	5.8	12.0
41	30	Buckley's Brew.	40xd	.....	†1.64	2.7	6.2	8.8
177	97	Bulmer (H.P.)	124	-10	U6.6	2.8	8.2	6.6
148	76	Burtonwood	143	-4	3.10	5.1	3.4	8.8
66	39	City Lon. Def.	62	-1	2.4	1.6	5.9	15.9
134	60	Clark (Matthew)	132	-2	5.21	3.3	6.0	7.7
193	120	Distillers 50p	173	.....	6.54	2.7	5.7	10.1
21	11	Ellis (Richm'd) 5p	17	.....	1.12	1.2	10.0	12.3
505	195	Glenlivet	505	+40	†14.02	5.7	1.2	22.2
22½	12	Gordon (L.) 10p	21	.....	—	—	—	—
45	24	Gough Bros. 20p	43	.....	2.84	1.8	10.0	8.5
102	55	Greenall Whitley	94	-1	†2.39	3.8	3.8	10.5
240	152	Greene King	225	.....	6.53	2.8	4.4	12.6
198	124	Guinness	186	-9	7.02	ϕ	5.9	ϕ
120	52	Highl'd Dist. 20p	114	-1	2.9	2.3	3.9	17.0
98	34	Invergordon	87	-2	†2.03	3.8	3.5	(18.5)
104	41	Irish Distillers	104xd	.....	Q4.75	ϕ	4.6	ϕ
320	115	Macallan Glen.	270	-5	4.62	2.3	2.6	19.5
360	255	Morland £1	360xd	.....	12.45	2.6	5.3	10.9
60	33	Sandeman	60	+3	2.34	0.6	5.9	46.7
70½	46½	Scott & New 20p	68	-1	3.10	2.2	6.9	11.1
45	32	Tollemache & C. 50p	44¾	.....	ϕh1.11	2.5	3.8	16.6
90	43	Tomatin	87	.....	2.72	1.6	4.7	19.8
363	228	Vaux £1	352	-8	†15.88	2.1	6.8	11.7
95	59	Whitbread 'A'	94xd	.....	†3.57	2.6	5.8	10.1
192	111	Wolv. Dudley	186xd	+1	5.74	ϕ	4.7	ϕ
147	88	Young Brew 'A' 50p	143	.....	†2.89	3.8	3.1	13.2

BUILDING INDUSTRY, TIMBER AND ROADS

1977 High	Low	Stock	Price	+ or -	Div Net	Cvr	Y'ld Gr's	P/E
95	46	Aberdeen Const.	83	-1	†4.18	3.6	7.6	5.5
154	74	Aberthaw Cem.	146	+2	†6.14	3.7	6.3	6.5
23	12½	Allied Plant 10p	22	.....	†1.17	6.1	8.1	4.2
75½	37½	Armitage Shnks.	64½	-½	4.26	1.2	10.3	11.3
294	153	A.P. Cement £1	256	+1	†8.49	2.4	5.0	12.6
54	18	BCA 20p	53	.....	†2.26	2.2	6.5	10.8
277	104	BPB Inds. 50p	238	-1	†6.93	4.6	4.4	7.4
36	21	Baggeridge Brk.	31	.....	2.33	ϕ	12.4	ϕ
14	7	Bailey Ben 10p	10	.....	d0.55	1.8	—	10.2
35	23	Bainbridge 10p	32xd	.....	†1.69	3.7	8.1	5.1
52	28	Bambergers	43xd	-1	†2.9	3.1	10.2	4.9
114	55½	Barratt Dev. 10p	110	-4	†8.06	2.8	11.1	4.1
23	15	Beechwood 10p	20½	-1	1.85	2.0	13.5	5.8
22	16	Benfield & L. 20p	18	-1	†0.75	—	6.3	—
59	29¼	Benford M. 10p	47	-1	h1.62	4.4	5.2	6.6
62	27	Best Bros. 20p	62	+2	‡d1.54	6.0	3.8	8.2
77	38	Blockleys 20p	64	.....	†3.46	3.1	8.2	6.1
71	38	Blundell Perm.	64	.....	2.63	2.6	6.2	9.2
87	39	Breedon Lime	85	.....	h4.45	1.9	7.9	10.2
29	16	Brit. Dredging	25	-1	0.3	—	1.8	—
51	25	Brown Jksn. 20p	30	.....	†2.23	5.3	—	—
61½	37½	Brownlee	50xd	.....	g2.03	2.8	6.2	8.5
38	13	Bryant Hldgs.	37	.....	2.26	2.1	8.4	7.8
183	63	Burnett & H.	163xd	.....	†d2.6	9.9	2.4	6.3
180	130	Burt Boulton £1	180	.....	d10.15	3.5	8.5	5.1
26	17	C. Robey 'A' 10p	23	.....	1.52	2.3	10.0	6.5
28	16	Cal'nder (30) 10p	28	+1	†1.22	2.7	6.6	8.6
71	33	Carr (John)	70	-1	d1.83	ϕ	4.0	ϕ
64	40	Carron	47	-2	3.63	1.7	11.7	6.3
119	54	Cement Roadstone	117	-2	Q6.25	2.0	5.3	14.4
32	13	Combeen Gp. 10p	27	.....	†1.47	2.2	8.3	(6.7)
334	132	Costain R.	259	+2	†5.46	9.5	2.0	7.8
31	9	Countryside	30	-1	0.16	3.8	0.8	48.8
66	43	Crossley Bldg.	64	-1	4.19	0.9	9.9	(18.5)
80	32	Crouch (D.) 20p	77	.....	†3.58	2.7	7.0	8.0
64	23	Crouch Group	59½	.....	d2.74	3.1	7.0	7.0
156	64	Dew (G.)	144	+4	ϕd5.08	3.7	5.3	7.8
102	35	Douglas Robt. M.	94	.....	dh3.11	5.5	5.0	5.5
250	103	D'wning G.H. 50p	217	+5	10.38	3.4	7.2	5.2
60	25	Econa 10p	63	-2	†3.96	5.4	9.6	4.0
92	64	Ellis & Everard	81	-3	5.03	1.1	9.4	14.9
75	50	Erith	70	.....	4.87	1.7	10.5	6.5
19	7	F.P.A. Const'n	15½	-½	1.14	1.9	11.2	7.1
78	37	Fairclough Cons.	60	-1	†h2.28	3.7	5.3	7.2

BUILDING INDUSTRY—Cont.

1977 High	Low	Stock	Price	+ or -	Div Net	Cvr	Y'ld Gr's	P/E
23	9½	Feb. Intl. 10p	18	.....	†d1.59	1.7	13.4	6.9
22	11	Do. 'A' 10p	17	.....	†d1.59	1.7	14.2	6.5
35	13	Fed. Land & Bld.	33	.....	†2.03	1.7	9.3	9.5
32	12	Finlan (John) 10p	18	.....	—	—	—	—
15	4	Francis Pkr 10p	10½	.....	—	—	—	—
47	28	Francis (G.R.) 10p	45	.....	d3.54	1.6	11.9	8.2
36	13	French Kier	31	-1	‡1.5	2.7	7.3	7.6
61	31	Galliford Br. 5p	61	.....	3.07	3.0	7.6	6.6
28	14½	Gibbs D'dy A 10p	23	.....	1.65	2.2	11.7	6.1
54	19	Gleeson (M.J.) 10p	45½xd	-1½	1.84	ϕ	6.2	ϕ
57	34	Glossop W. & J.	50	-1	†3.49	2.1	10.6	5.9
75	37	G'gh Cooper 20p	70	-3	5.28	0.7	11.4	19.4
44½	26½	H.A.T. Grp. 10p	36xd	.....	†1.95	3.1	8.2	4.7
55	17	Harrison J. 10p	50	+1	†2.54	4.3	7.7	4.1
29	20	Helical Bar	29	-1	2.03	2.2	10.6	12.4
64	47	Hend'sn 'A' 10p	60	.....	†3.96	3.3	10.0	4.7
136	88	Henderson (J. W.)	136	.....	7.54	2.3	8.1	7.9
60	18	Hewden St. 10p	52	-½	g1.29	4.0	3.8	9.7
£230	£80	Do. 7pc Conv.	£220xd	.....	Q7%	20.2	3.2	—
63	26	Heywd Wm. 50p	62	-1	—	—	—	—
96	35	Higgs & Hill	83	-2	†3.12	4.5	5.7	4.2
66	27	Hovingham	66	.....	†1.89	3.3	4.5	10.5
58	20	Do. Res. Vtg.	56	.....	†1.89	3.3	5.1	8.9
27	19	Howard Shut 10p	24	.....	1.56	4.7	9.9	3.3
117	75	I.D.C. 20p	96	-2	d8.49	1.5	13.4	7.5
164	73	Ibstock Johnsen	140	-1	†5.58	3.5	6.0	7.2
131	66	Int. Timber	108	-4	†6.29	2.8	9.1	5.9
69	27	J.B. Holdings 5p	64	-1	m0.97	11.7	2.3	5.6
45	24	J.C.E.G.	27	.....	1.51	1.9	8.5	9.4
186	96	Jarvis (J.)	164	.....	8.60	3.2	8.0	5.9
114	70	Jennings SA0.50	110	+2	‡Q20c	—	—	—
352	144	Jhsn-Rchds. 50p	310	-2	6.52	5.2	3.2	9.1
17	8	Jones Edwd. 10p	14	.....	0.92	1.8	10.0	8.5
45	21	Kent (M.P.) 10p	43	-1	2.06	1.6	7.3	11.6
£30½	£20½	Lafarge S.A.F.100	£23½	+¼	Q15%	3.5	9.2	3.1
105	26	Lafarge Org.	92	.....	†2.03	4.5	3.3	9.2
171	69	Laing (John) 'A'	142	-3	†2.86	4.6	3.1	10.7
135	24	Latham (J.) £1	115xd	.....	†h6.72	2.2	8.9	6.6
108	53	Lawrence (W.)	102	.....	6.5	2.1	9.7	7.6
83	42	Leech (Wm.) 20p	71	.....	5.08	ϕ	10.8	ϕ
60	18	Leyland Paint	57	.....	g3.7	3.2	9.8	5.4
89	31	Lilley F.J.C.	72	-4	d2.5	4.1	5.3	6.9
38	15	Liner C. M'ch 10p	27xd	-1	1.31	ϕ	7.1	ϕ
86	40	London Brick	68	+1	†2.93	3.0	6.5	7.7
88	43	Lovell (Y. J.)	77	.....	3.53	2.8	7.0	8.0
43	32	McNeill Group	32	.....	†2.89	—	—	—
216	110	Magnet & Sthns.	183	-5	8.12	2.7	6.7	8.5
55½	28½	Mallinson-Denny	42	-1	†2.54	3.3	9.2	5.0
90	36	Manders (Hldg.)	85	+4	†2.31	3.3	4.1	11.4
294	113	Marchwiel	240	-2	†3.1	13.8	2.0	4.8
98	44	Marley	76	-2	d2.26	4.1	4.5	6.3
97	74	Marshalls (Hfx)	96	-1	td5.24	2.8	8.3	6.5
86	47	May & Hassell	62	-5	†2.78	4.0	6.9	4.1
31	24	Mears Bros.	27	.....	†1.81	3.1	10.1	4.9
56	34	Melville D. & W.	45	.....	2.48	2.2	8.3	6.5
94	44	Meyer (Mont. L.)	74	-1	†4.18	3.3	8.3	3.3
75	25	Milbury	73	-2	†2.35	5.0	5.0	6.2
13	9	Miller (Stan) 10p	11	.....	‡d1.17	1.2	—	7.8
68	43	Mixconcrete	57	-1	†2.9	1.6	7.7	12.0
39	20	Mod. Engineers	38	.....	†dh2.4	2.6	9.6	6.1
76	23½	Monk (A.)	75	-1	h3.19	3.0	6.4	7.8
143	44	Mowlem (J.)	126	-2	†6.5	5.4	7.8	7.0
186	45	Newarthill £1	142	-2	d4.47	9.1	4.8	4.0
102	52	Norwest Holst	72	.....	†4.12	4.5	8.7	3.8
215	105½	Nott. Brick 50p	213	.....	11.55	b3.1	8.2	6.4
58	21½	Orme Devs. 10p	52	-1	2.62	1.4	7.6	(12.1)
108	62	Parker Timber	103	-2	5.44	4.0	8.0	4.7
198	64	Phoenix Timber	162	-13	†3.83	13.[illegible]	3.7	2.2
82	42	Pochins	73	.....	d4.61	5.1	9.6	3.1
36	11	Rawlings Bros.	18#	.....	0.63	0.3	5.3	—
143	71	R.M.C.	118	-2	g5.77	2.3	7.4	7.8
161	66	Redland	144	-2	†3.81	3.3	4.0	9.9
78	37	R'ch'ds. Wall 10p	71	-1	†d4.1	1.7	8.8	(8.2)
98	51	Roberts Adlard	98	.....	†3.96	3.3	6.1	7.5
83	40	Rowlinson 10p	76xd	.....	†d2.23	6.9	4.5	3.9
30½	14	Royco Group	29	-1½	†1.01	—	—	—
41	17	Ruberoid	30	.....	2.07	1.6	10.5	9.3
91	46	Rugby P. Cement	73	-2	†3.17	2.5	6.1	9.3
144	54½	SGB Group	136	-1	†4.77	3.0	5.4	9.5
36	27	Sabah Timber 10p	34	-½	1.48	6.5	6.6	3.4
40	23	Sharpe & Fisher	38	.....	2.15	2.4	8.6	7.4
42	21½	Smart (J.) 10p	42xc	.....	dh1.81	4.6	6.5	5.0
11½	6	Southern Con. 5p	7½	.....	†0.88	2.1	—	—
42½	27½	Streeters 10p	32xc	.....	†h1.53	4.8	7.3	4.3
54	18	Summers (C.)	48½	.....	ϕ	—	—	—
220	127	Tarmac 50p	134	-6	8.91	2.7	10.1	6.8
504	244	Taylor Woodrow	396	-10	†6.9	6.1	2.6	9.5
254	176	Tilbury C'tg £1	254	.....	18.19	2.2	10.9	6.3
148	76	Travis & Arnold	130	-3	†3.46	[illegible]	4.0	5.2
287	139	Tunnel B 50p	267xd	+9	†9.9	[illegible]	[illegible]	9.5
79	34	UBM Group	68½	-1	4.26	[illegible]	[illegible]	(14.4)
39	19	Vectis Stone 10p	25	.....	†1.35	2.3	8.2	8.0
160	84	Vibroplant	152	.....	d9.51	1.4	9.5	11.1
33	15	Ward Hldgs. 10p	31	.....	d2.64	[illegible]	12.9	ϕ
37	17	Warrington	32xd	-2	†1	[illegible]	15.1	18.4
177	102	Watts Blake	151	.....	†4.0	3.7	4.0	10.1
43	21	Westbrick Prods.	31xd	.....	†2.96	[illegible]	[illegible]	(9.1)
58	40	Wettern Bros.	57	.....	†5.29	0.8	[illegible]	—
52	26½	Whatlings 25p	52	-1	†h2.33	3.2	6.4	6.7
26	9	Whit'gm 12½p	24	+1	0.43	10.[illegible]	2.7	5.2
24	11	Wiggins Con. 10p	21	.....	1.55	2.0	11.6	6.4
103	37	Wilson (Connolly)	95	+1	†2.26	[illegible]	3.7	4.3
91	37	Wimpey (Geo.)	79	-1½	0.62	12.3	1.2	10.5

CHEMICALS, PLASTICS

1977 High	Low	Stock	Price	+ or -	Div Net	Cvr	Y'ld Gr's	P/E
£12⅜	675	AKZO	675	-50	—	—	—	—
131	78	Albright Wilson	100	-2	†4.19	3.3	6.4	6.5
300	205	Alginate Inds.	226	-4	†d12.09	2.1	6.7	18.9
112	52	Alida Pack 10p	91	.....	†5.75	2.3	9.6	5.4
100½	45¼	All'd Colloid 10p	82	-2	dh1.54	4.0	2.8	13.5
96	60	Anchor Chem.	72	.....	†c5.75	2.0	7.9	8.6
47¼	15¼	Bell (W.W.)	47xr	+1	†1.84	4.7	5.9	6.1
£54½	£41½	Bayer AG. DM50	£47	-¼	Q17%	1.4	3.2	21.0
233	122	Blagden Noakes	230	.....	11.0	4.4	7.9	8.7
205	91	Brent Chems 10p	162	-3	†2.55	5.6	2.0	13.3
29	22	Brit. Benzol 10p	25	.....	1.2	5.6	7.3	3.7
48½	29	Brit. Tar Prd. 10p	46xd	.....	1.64	2.9	5.1	10.3
17¾	9	Burrell 5p	13¼	.....	†0.52	3.1	10.6	6.9
51	30	Carless Capel 10p	34xd	-1	†1.83	4.2	3.7	9.8
40	38	Catalin	44	.....	2.75	2.4	9.4	6.8
£94	£79	CibaG'gy 7½% Ln	£93	.....	Q7½%	ϕ	†8.1	—
£104	£89	Do. 8% Cnv 81/84	£96½	.....	Q8%	ϕ	†8.4	—
£105	£89	Do. 8¾% Cnv 82/85	£97	-½	Q8¾%	ϕ	†8.7	—
70	43¼	Coalite Chem.	69	-1	†2.78	3.5	6.2	7.0
56	49	Coates Bros.	70	-1	†2.11	4.7	4.6	7.1
77	45	Do. 'A' NV	69	.....	2.11	4.7	4.6	7.0
20½	12	Cory (Horace) 5p	20	-½	0.50	3.7	4.7	8.8
72	43	Croda Int. 10p	58½	-1½	†1.98	3.7	5.5	7.4
21½	8¼	Crystalate 5p	21½	.....	0.52	12.7	2.0	6.0
60	43	Enalon Plastics	55xd	.....	1.51	ϕ	12.4	ϕ
48	33	Farm Feed	34	.....	‡	—	‡	9.0
80	44	Federated Ch.	70	-2	†3.62	3.3	7.2	6.4
397	280	Fisons £1	373	-10	†11.59	2.8	4.7	8.7
13	6½	Halstead (J.) 10p	13	.....	0.52	3.7	3.8	(8.1)
608	295	Hickson Welch 50p	550	-10	9.43	8.0	2.6	7.4
553	417	Hoechst DM5	458	+5	Q16%	1.6	4.6	13.1
£144	£113½	Do. Fin. 10% Cns. Ln	£113½xd	-2	Q10%	—	†8.9	—
446	325	Imp. Chem. £1	356	-3	†15.07	3.1	6.4	7.2
51	39½	Do. 5% Pf £1	47½xd	.....	3.5	—	11.2	—
70	42½	Int. Paint	66xd	.....	†h2.06	4.5	5.2	5.3
54	21½	Lankro Chem.	54xd	.....	†1.34	2.5	3.8	16.2
130	84	Laporte Inds. 50p	101	-1	5.76	2.8	10.2	5.0
£44½	£29	Norsk H. Kr.80	£30½	+¼	Q12%	1.9	3.2	ϕ
78	42	Plysu 10p	69	.....	†1.26	6.2	2.8	9.0
137	73	Ransom Wm. 10p	137	.....	2.79	6.9	3.1	7.0
56	34	Rentokil 10p	51½	+½	†1.43	2.3	4.3	14.1
92	64	Revertex	83	.....	4.93	2.9	9.0	5.8
192	150	Scot. Ag. Ind. £1	190	.....	†11.7	1.5	8.9	11.5
136	74	Stewart Plastics	136	+3	d2.81	5.5	3.1	8.9
20	12½	Wardle (Ber.) 10p	17½	-½	†1.16	1.7	10.0	9.0
109	42	Willows Fra. 20p	103	.....	†2.54	5.1	3.7	8.0
174	105	Wolstenholme	174	.....	2.59	3.8	6.9	6.5
148	85	Yorks Chems	85	-1	†4.33	3.4	7.7	5.8

CINEMAS, THEATRES AND TV

1977 High	Low	Stock	Price	+ or -	Div Net	Cvr	Y'ld Gr's	P/E
79	47½	Anglia TV 'A'	78	.....	†h3.80	3.6	7.4	5.8
110	69¾	Ass. Tele. 'A'	98	-1	†5.55	b2.3	10.4	6.5
35	18	Grampian 'A' 10p	30	.....	†2.0	2.3	10.1	6.5
55	33	Green Group 10p	55	.....	Q4.23	2.5	7.7	7.9
20	10½	H'wood Wy'd 20p	17	.....	—	—	—	6.5
114	47	H.T.V.	108	-3	†6.6	2.1	9.3	7.9
110	80	L.W.T. A	104	-1	6.19	2.5	9.4	6.3
76½	55	Redd. TV Pref. £1	76½	.....	6.04	19.6	12.1	—
57	23½	Scott. TV 'A' 10p	53	+½	†2.14	5.5	6.1	4.6
59	31	Trident TV 'A' 10p	50½	-1	b2.79	2.6	8.4	6.9
58	35	Ulster TV 'A'	52	.....	3.93	ϕ	11.4	ϕ
31	15	Westward TV 10p	26½	.....	1.65	1.7	9.9	8.9

DRAPERY AND STORES

1977 High	Low	Stock	Price	+ or -	Div Net	Cvr	Y'ld Gr's	P/E
184	76½	Allied Retail 10p	178	-3	d7.92	2.7	6.7	8.6
39	21	Amber Day 10p	37	.....	d1.95	2.8	8.0	5.3
39	20	Aquascutum 5p	39	.....	1.38	3.7	5.4	7.4
38	18	Do. 'A' 5p	37½	-½	1.38	3.7	5.6	7.2
43	27	Audiotronic 10p	30	-2	3.3	1.2	‡	7.4
31	15½	Baker's Strs. 10p	26	.....	†d0.77	6.2	4.5	5.5
80	44	Beattie (J.) 'A'	76	+2	h2.10	4.2	4.1	8.7
29	18	Bentalls 10p	28	.....	1.08	2.2	5.8	11.9
40	15	Bilton & Con. 20p	16	.....	1.04	0.4	9.9	35.1
12	7½	Boardman K.O. 5p	12	-½	0.98	3.1	12.4	2.9
15	8	Bolton Text. 5p	12	.....	0.62	0.8	7.9	23.4
53	38	Bremner	50	.....	†3.86	1.3	11.9	9.9
243	138	Brit. Home Strs.	210	-6	†5.71	2.1	4.1	17.7
35	20	Brown (N.) 20p	34	.....	d2.55	1.5	11.4	9.2
100	50	Burton Grp. 50p	96	-3	1.5	—	‡	—
98	37	Do. 'A' NV 50p	93	-1	1.5	—	‡	—
35	17	Cantors 'A' 20p	28	.....	2.04	1.2	11.0	(9.6)
45	28	Casket (S.) 10p	40	.....	1.96	ϕ	7.5	ϕ
189	57	Church	128	-1	†3.07	7.7	3.5	7.9
101	50	Comb. Eng. 12½p	88	-1	†2.94	4.2	5.1	7.2
80	30½	Cope Sports 10p	80	.....	dg0.48	7.0	0.9	26.7
13	6½	Cornell Dress 5p	7½	.....	‡0.3	1.5	‡	—
110	71	Courts 'A'	100	.....	3.18	4.0	4.8	6.8
241	79½	Curry's	218	-2	4.12	4.8	2.9	11.1
16	7½	Custom'agic 10p	13	.....	0.46	—	5.3	—
120	66½	Debenhams	95	-1	F5.22	2.4	8.5	(6.2)
60	25¼	Dewhurst 10p	55	.....	d1.74	3.7	4.5	8.6
177	61	Dixons Photo 10p	164	-2	2.18	6.5	2.0	8.0
26½	14	Dolland (Geo) 10p	25	.....	†1.75	1.4	10.6	11.5
19½	14½	Ellis & Gold 5p	17	-½	†1.73	0.9	15.4	10.4
202	93	Empire Stores	170	-2	†4.82	2.6	4.3	13.5
16½	6	Executex 20p	15½	.....	—	—	—	16.5
20	12	Fairdale Text. 5p	16	.....	1.06	2.9	10.0	5.2
16	8	Do. 'A' 5p	15	.....	1.06	2.9	10.7	4.9
47½	19½	Fine Art Devs. 5p	47½xd	.....	d1.81	2.4	5.8	11.0
30	21	Ford (Mtn.) 10p	29	.....	†2.28	1.1	11.9	12.1
112	45	Formminster 10p	107	.....	d3.78	5.6	5.3	5.1
80	39	Foster Bros.	77	-½	2.99	3.0	5.1	10.0
322	126	Freemans (Lon)	299	-6	†5.4	4.3	2.8	12.5
36	24½	Gelfer A.J. 10p	35	.....	2.57	1.9	11.5	7.0
71	40	Goldberg A.	62	.....	†3.8	1.4	9.4	11.8
11	5	Goodman Br. 5p	11	.....	h0.75	3.1	10.3	4.7
159	75	Grattan Ware	154	-7	†5.3	2.5	6.0	9.9
348	183	Gt. Universal	308	-4	†7.43	3.1	3.7	13.3
347	176	Do. 'A' Ord.	304	-2	†7.43	3.1	3.8	13.1
39½	18	Gre. Millets 10p	38	.....	†1.75	3.2	7.0	11.2
11	5½	Hall & Earl 5p	11	.....	h0.27	4.3	4.9	9.8
52	24	Hardy (Furn.)	56	-1	0.2	—	0.9	—
38	23	Do. 'A' NV	34	-1	0.2	—	0.9	—
19	7½	Helene Lon. 10p	18	.....	0.62	5.9	5.2	5.0
167	166	Do. 12pc Cn. Prf	167	.....	12%	11.7	10.9	—
35	37	Henderson K. 20p	80	.....	d2.21	6.3	4.2	4.7
25	15	Henriques A 10p	23	.....	d1.83	2.0	12.1	6.2
66	30	Hepworth (J.) 10p	58	-1	2.3	2.7	6.0	9.1
116	60	Home Charm 10p	116	-4	†d3.29	3.3	4.3	10.8
135	69	House of Fraser	134	-4	†4.34	2.6	4.9	12.2

DRAPERY AND STORES—Cont.

1977 High	Low	Stock	Price	+ or -	Div Net	Cvr	Y'ld Gr's	P/E
63	43	House of Lerose	58	.....	†d3.92	2.5	10.2	5.6
13½	5	Knott Mill 10p	10½	.....	—	—	—	18.1
44	29	Ladies Pride 20p	43	-1	†h2.1	3.4	7.4	6.0
137	29¼	Lee Cooper	115	-2	†h1.65	9.8	2.2	3.3
£19	450	Liberty	£19	.....	†29.75	8.7	2.4	7.3
£19	425	Do. Non Voting Ord.	£19	.....	†29.75	8.7	2.4	7.3
60	30	Lincroft K. 10p	57	-1	g3.46	2.3	9.2	7.0
112	31	MFI W'house 10p	106	-4	3.96	2.0	5.7	13.5
14	5	Maple 20p	11½	.....	—	—	—	—
173	96	Marks & Spencer	154	-2	3.86	2.1	3.8	18.5
238	98½	Martin News	224	.....	6.6	ϕ	4.6	ϕ
300	102	Menzies (J.)	298	-2	†4.26	5.6	2.2	12.5
11	6	Michael (J.) 10p	8	.....	—	—	—	—
80	70	Mid. Educat. 30p	75	.....	4.24	2.5	8.6	7.1
53	35	Morris Blakey	48	.....	4.17	1.0	13.2	11.3
210	101½	Mothercare 10p	188	-2	†h2.66	3.6	2.1	19.7
110	48	NSS News 10p	103	-2	2.12	ϕ	3.2	ϕ
86	44	Owen Owen	70	.....	†2.6	3.9	5.7	7.0
28½	16	Paradise (B) 10p	20	.....	†1.07	—	8.0	—
27	11	Pawson (W. L.)	27	.....	—	—	—	—
35	18	Peters Stores 10p	34	.....	d1.00	1.3	‡	26.1
7½	3	Polly Peck 10p	6½	.....	—	—	—	—
73	24	Preedy (Alfred)	73xd	.....	1.43	5.2	3.0	10.0
12½	5½	Ramar Text. 5p	10½	.....	0.63	5.3	9.2	(2.2)
85	17½	Ratners 10p	80	-2	h0.58	12.6	1.1	8.2
68	36	Raybeck 10p	61½	-½	3.03	1.9	7.5	10.8
57	25	Readicut 5p	32½	+½	†1.44	3.2	6.7	7.1
98	32	Reed Austin 'A'	87	-1	†2.6	3.7	4.5	9.0
27	15½	Rivlin (D&S) 10p	17½	.....	1.19	0.8	10.3	(24.9)
13½	4	Rosgill 5p	11	.....	—	—	—	—
20	8½	S&U Stores 12½p	17	.....	—	—	—	—
22	8½	Do. 25% Pf. 12½p	17	-2	—	—	—	—
266	111	Samuel (H) 'A'	257	-2	7.61	2.9	4.5	11.7
27¼	10¼	Selincourt 5p	24¼	-¼	b1.22	4.3	7.6	4.9
11	3	Sherman (S) 10p	7	.....	—	—	—	—
166	67	Smith W.H. 'A' £1	157xc	-1	h1.98	4.4	1.9	18.4
133	65	Stanley A.G. 5p	133	+1	td5.3	1.6	6.2	15.3
115	38	Status Disct. 10p	108	.....	1.64	2.6	2.3	25.9
14½	9	Steinberg 10p	12	.....	d0.87	1.1	11.0	12.3
26	13	Sumrie 20p	24	.....	1.27	1.2	8.0	15.7
128	39	Time Prods. 10p	115xd	.....	†1.52	8.7	2.0	8.7
99	53	UDS Group	88xd	.....	4.87	1.3	8.4	12.7
29	17	Upton (E) 'A'	26	.....	2.28	0.1	13.3	—
116	77	Vantona 20p	113	.....	g4.68	4.2	6.3	5.9
57	27	Vernon Fash. 10p	55	-1	†2.79	2.9	7.7	6.8
40	27	Wades 'A' 20p	38	.....	2.01	3.5	8.0	5.5
103	32	Walker (Jas.)	97	-2	d2.15	4.6	3.4	7.6
102	31	Do. N.V.	95	-2	d2.15	4.6	3.1	7.5
56	33	Wallis 10p	56	.....	2.51	4.4	6.8	5.0
97	51	Waring & Gillow	95	.....	3.55	3.0	5.7	8.9
18	11	Wearwell 5p	15½	+½	—	—	—	20.5
28	15	Wharf Mill 10p	22	.....	1.44	1.5	9.9	10.2
65	44	Wilkinsn Warbtn.	64	-2	4.57	2.2	10.8	6.3
68	48½	Woolworth	63	-1	4.01	1.2	9.6	13.2

ELECTRICAL AND RADIO

1977 High	Low	Stock	Price	+ or -	Div Net	Cvr	Y'ld Gr's	P/E
142	56	A.B. Electronic	111	.....	5.07	2.9	6.9	7.6
66	42	Allied Insulators	58	.....	3.55	2.4	9.3	7.0
40	22	Audio Fidelity 10p	28	.....	d2.1	ϕ	11.4	ϕ
37	10½	Auto'ted Sec. 10p	36	.....	†0.66	4.0	2.8	10.0
137	85	BICC 50p	101	-3	†6.71	1.8	10.1	(12.2)
151	92	BSR 10p	102	.....	F4.69	4.8	7.0	4.5
50	34	Best & May 10p	43	.....	2.74	2.1	9.0	8.0
66	35	Bowthorpe 10p	57	.....	†1.48	4.2	3.9	8.3
33	11	Br. Electronic 10p	29	.....	0.33	3.8	4.4	9.2
87	41	Brocks 10p	67	-1	g3.36	1.9	7.6	11.9
23	14	Bulgin 'A' 5p	20	.....	†1.21	1.7	9.1	9.5
162	64	Campbell Isherwd	156	.....	2.68	9.9	2.6	5.8
129	91	Chloride Grp.	106	-1	†4.67	2.1	6.7	(8.8)
52	28	Cohen Bros. 10p	52	.....	ϕ†2.08	2.6	6.1	9.7
160	44	Comet R. Serv. 5p	158	.....	d3.51	4.6	3.4	9.7
23	13	CrayEl'tronic 10p	23	.....	1.33	2.3	8.7	6.6
24	15	Creillon 10p	39½	.....	1.51	3.0	5.8	(6.5)
29	17	Crossland 5p	28	.....	†1.25	2.6	6.8	8.7
124	62½	Dale Elect. 10p	124	.....	g2.72	4.1	3.3	12.5
585	233	Decca	475	-10	10.7	3.3	3.4	13.6
560	223	Do. 'A'	465	-10	10.7	3.3	3.5	13.3
17	8½	Derritron 10p	15	.....	†0.66	b3.8	6.7	6.0
11½	8	Dewhurst 'A' 10p	10½	.....	†0.81	1.3	11.7	10.4
76½	38½	Dorman Sm. 20p	75xc	.....	ϕh3.3	1.8	3.3	25.0
71	38	Do. 'A' 20p	70xc	.....	ϕh3.3	1.8	3.6	23.3
24	15½	Dowding & M. 5p	21	.....	1.08	2.0	7.8	9.7
50	27	Dreamland 10p	41	.....	†2.3	1.2	8.5	11.8
18½	9	Dubilier 5p	17	.....	†0.89	1.2	8.0	15.6
254	170	EMI 50p	173	.....	9.24	2.3	8.1	6.5
£136	£102	Do. 8½% Conv. '81	£102	-2	Q8½%	27.3	†8.7	—
365	88	Elect'comps 10p	359	-13	†4.56	6.5	2.0	11.7
38	14	Electronic Mach.	23	.....	—	—	—	—
120	45	Elec. Rentals 10p	114xd	-4	ϕ5.0	4.1	6.6	8.2
14¾	4¼	Energy Servs. 10p	13	.....	0.1	11.6	1.2	8.7
210	118	Ever Ready	162	-2	†3.89	5.0	3.6	8.4
242	77½	Farnell Elec. 20p	218	-2	6.5	3.4	4.5	9.9
97	50	Fidelity Rad. 10p	78	.....	†4.71	2.1	9.2	7.9
106	86	Forward Tech. 50p	98	-2	b6.7	1.1	10.5	13.1
284	163	G.E.C.	261	-2	†3.64	7.2	2.1	9.8
26½	11½	Highland El. 20p	24	.....	d1.07	1.8	6.8	12.3
86	47	Jones Stroud	80	+3	4.24	2.7	8.0	6.9
106	52	Kode Int.	93	-1	g4.7	2.6	7.6	6.9

HOTELS—Continued

1977 High	Low	Stock	Price	+ or -	Div Net	Cvr	Y'ld Gr's	P/E
17½	6¼	Mt. Charlotte 10p	14	.....	F6.6	4.5	5.5	7.7
192	80	Myddleton 50p	182	.....	†0.2	2.1	1.3	56.5
27	9	Norfolk Cap 5p	24	-1	g0.9	3.4	3.1	15.3
52	25	North (M. F.) 10p	44	-2	‡1.68	1.6	7.9	11.5
35½	22½	Pontin's 10p	32	.....	1.68	2.5	4.9	(9.7)
72	40	Prince of Wales	72	+2	2.51	3.7	0.7	44.9
26	6½	Queen's Moat 5p	26	.....	†d0.12	2.9	5.6	14.8
156	68	Rowton Hotels	155	-1	‡5.7	2.4	2.3	28.8
71	33	Savoy "A" 10p	68	-3	1.02	3.5	6.1	8.0
26	18	Stakis (Reo) 10p	25½	-½	g1.03	1.0	‡	—
12	5½	Swan Ryan Int. 5p	9½	.....	‡1.25	1.6	6.0	15.9
198	112	Trust H. Forte	189	-2	†7.46	2.6	7.9	6.3
27	12	Warner Hols. 'A' 10p	22½xd	-1	1.18	—	—	—
215	100	Wheeler's 10p	215xd	+10	†4.41	4.2	3.1	11.6

HOTELS AND CATERERS

1977 High	Low	Stock	Price	+ or -	Div Net	Cvr	Y'ld Gr's	P/E
41	12	Adda Int. 10p	34	-½	†d0.51	—	2.3	—
£36½	£16½	Borel (J.) Fr.100	£17	-½	tQ12%	2.9	9.2	4.0
50	24	Brent Walker 5p	35	.....	1.14	b2.4	4.9	12.8
108	70½	City Hotels 20p	96	.....	d3.9	2.8	6.2	8.3
178	82	De Vere Hotels	148	.....	†d4.26	1.5	4.4	27.5
188	62	Grand Met. 50p	99	.....	g4.24	2.5	6.5	10.2
£119	£76½	Do. 10pc Cnv £1.00	£109	-3½	Q10%	6.1	†9.5	—
50	75	Kunzel (M'lt.) £5	75	.....	Q10%	1.8	8.2	17.4
203	89	Ladbroke 10p	185	-3	†7.0	3.8	5.7	8.8
66	17¼	Leisure Gen. 10p	59	.....	ϕh1.29	3.3	3.3	13.8

INDUSTRIALS—Continued

1977 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
52	49½	J.R.C. Int. 10p	73½	−2½	§2.23	2.6	4.7	7.4
65	24	Lawtex	56		2.91	4.6	7.9	9.7
19	125	Lead Inds. 50p	149	+1	§7.37	2.8	7.5	6.4
10	58	Leadenhall Sty.	105		§4.09	4.0	5.9	6.1
37	27	Le Bas (Bd)	38		†1.65	—	6.4	—
53	30	Lebolt Feibel 10p	46½	−½	†1.62	2.5	5.3	11.5
3	39	Lotus Harris	52		§3.27	0.6	9.5	42.5
2	33	Leigh Inds. 5p	162		†3.63	2.2	3.3	28.4
6	60	Leisure Cav. 10p	181xd		†h4.03	12.2	6.1	11.6
1	96	Lep Group 10p	240		3.1	8.0	2.0	7.2
1	56	Lesney Prodk. 5p	62	−1	†d2.64	4.6	6.4	4.8
1	70	Letraset 10p	112	−3	g2.83	4.3	3.8	7.8
40½	9	Liden 10p	14½		—	—	—	—
1	17	Lindsay & Wms.	20½		†1.01	2.1	5.4	13.5
1	58	Lindustries	145	−2	§49.0	3.7	9.4	8.5
1	24	Lon. & Nth. Grp.	25	−1	§2.0	2.4	12.1	5.1
1	17	Long Hmbly. 10p	33	−2	1.44	5.6	6.6	3.0
7	30	Longton Trans.	39	−2	d3.46	†4.4	8.9	3.0
1	59	Lonsdale Universal	68		†4.21	2.0	9.4	8.3
	118	Low & Bonar 50p	169	−1	Db10.89	2.1	9.8	6.1
2	36½	M.T. Dart. 10p	54		2.14	5.5	6.0	4.0
	13	Macalle Ldn. 10p	18		1.80	1.3	15.6	(0.1)
	71	McCrthy Pt. 20p	95		3.94	4.1	6.3	6.6
	45	Macfarlane Gp.	62		†3.49	1.7	8.5	10.3
	155	McBride Rlt. 10p	300		†4.46	7.9	2.9	8.6
	11	McCleery L'A	12		†1.25	—	—	—
2	36½	Macpherson (D.)	55½		†2.60	4.1	6.4	5.9
2	17	McIne Tst 'ds 5p.	52	+½	†g1.09	2.9	3.2	18.7
	46	Magnolia Group	73		†d2.45	5.9	5.1	5.1
	50	Magnet. Ag. M. 10p	68		5.61	9	13.2	9
	166	Man. Ship Cns. £1	190	−8	14.14	2.9	11.3	5.8
	1	Marling Ind. 10p	1½xd		db0.92	2.3	7.1	9.8
	25	Marshall L'ry. 'A'	31	−1	†2.26	3.5	11.8	4.1
	89	Marshall's Univ.	132xd	−5	§6.3	4.0	7.2	3.8
	52	Martin-Black	55	−1	4.47	0.7	12.3	17.5
	60	Marguerite 25p	114	−2	4.86	3.74	6.5	6.3
	11	Mechanister 10p	23		1.82	1.7	12.0	12.1
	9	Mentmore Sp	12xd		0.93	0.7	11.8	17.8
	246	Metal Box £1	284	−5	†13.51	3.2	7.2	6.3
	64	Metal Closures	84	−2	†3.83	2.9	6.9	9.3
	28	Metlloy	44	−1	g2.12	4.0	7.3	5.7
	95	Mills, Mestra. 50p	162		§5.16	4.8	4.8	7.7
	34	Mitt. Cotts. Trst't	50	+1	3.36	2.3	10.2	6.6
	£120	M'santo Spe £2.5	£129	−1	Q5%	767.1	£3.9	—
	3	Monumnt 10p	7½		—	—	—	12.8
	66	Morgan Crucible	113	−2	†4.79	2.9	6.4	8.8
	24	Morrall (Abel)	34		†2.2	2.7	3.8	6.1
	27	Moss (Robt.) 10p	34xd	−2	g2.06	2.7	9.2	5.5
	9	Mowlem 10p	12½	+2	—	—	—	11.9
	58	Myson Gp. 10p	55	−2	§3.84	1.4	—	—
	45	Nash (J. P.) Secs.	62		†4.7	2.6	11.5	5.0
	78	Nathan (B. & J.)	48	−3	3.05	2.4	9.6	6.5
	35	Nat. Cring'ge 10p	50	−2	1.32	8.8	4.0	49.6
	£45	N.C.R. 4% Cnv.	£53½	−½	Q4%	11.9	8.4	—
	35	Negrett & Zambra	75	−1	3.30	2.6	6.7	7.3
	22	Nelldrp'ucer 10p	63		§1.82	6.1	4.6	5.6
	65	New Equip. 10p A	13½		†0.89	1.8	10.0	8.7
	50	Newey Group £1	57	−2	—	—	—	—
	51	Newman	86	−1	4.82	2.6	7.1	6.4
	83	Northern Eng.	84½	−1	§5.6	—	10.0	—
	42	Norton & Wrt. 10p.	175		§3.8	2.7	3.3	16.9
	14	Norvic Secs. 10p.	25	−1	§2.2	1.9	13.3	6.8
	17	Nu-Swift 5p	25½		†1.42	1.9	8.5	11.8
	90	Oce Finance Cv.	93		Q9%	£9.7	—	—
	56	Office & Elect.	88	−3	g4.08	3.6	7.0	6.6
	59	Ofrer 10p	96	−3	†3.21	3.8	5.1	10.6
	20	Ovenstone 12½p	28½	+½	Q8c	2.5	26.1	1.1
	49	P.M.I. Holdings	49		—	—	26.6	—
	87	Parker Knoll 'A'.	101	−2	3.24	7.9	4.9	5.6
	75	Parris & Widdas	94xd	−1	§4.22	3.4	6.8	5.5
	21	Peerage 10p	32½		1	4.1	9.9	5.5
	8	Pendland 10p	15½		†0.61	3.5	5.6	7.7
	42	Pentos 10p	72	+1	†4.29	2.5	9.0	7.5
	177	Dl. 8% Cv. Ln. 98	£128		Q15%	25.4	12.4	—
	58	Petrocon 12½p	77	−1	†4.39	1.9	8.6	9.8
	6	Phillips Patents	14	+1	8	—	—	32.9
	20	Photox (Lon)	51		†12.48	3.8	7.4	6.9
	128	Photo-Me 50p	202	+2	3.96	6.4	2.1	8.6
	22	Photopia Ind.	50½		§d1.45	5.2	4.3	6.7
	72	Pilkington Br. £1	47½xd	−8	†10.56	4.2	6.3	4.9
	26	Pitry Boxes Ln.	257		Q3½%	5.6	9.9	6.9
	39	Plastic Coat. 10p	60		†d3.78	2.1	9.5	7.8
	57	Plasmtrans 50p	71	−1	†1.34	3.6	3.9	10.7
	30	Polypack 10p	58		†2.48	2.6	6.6	8.0
	7	Portals	224		§7.82	2.7	5.3	5.8
	120	Powell Duff. 50p	183	−3	§10.0	2.4	8.3	7.7
	29	Press (Wm.) 5p	27	−1	§0.84	4.4	4.1	7.3
	108	Prestige Group	160	−1	5.08	2.9	4.8	11.7
	83½	Pritchard Srvs. 5p	90		†1.35	2.6	6.9	8.3
	31	Prov. Lands. 5p	7	−½	0.36	0.5	7.8	41.4
	77	Pullman R.&I. 5p	77	−2	5.46	1.9	10.7	(5.8)
	68	R.F.D. Group 10p	68	+½	1.43	7.1	5.2	6.2
	21½	RTD Group 10p	21½		§0.9	3.3	3.2	6.7
	29	Rail Int. 10p	29	−1	1.76	5.2	10.6	6.9
	63	Randall J.I. 10p.	63	−2	1.53	4.2	3.7	9.8
	71	Randalls	71	−1	†d4.7	2.5	10.0	6.8
	240	Rank Organ	240	−4	7.24	3.9	4.6	7.6
	430	Reckitt Col. 50p.	430	−5	†9.65	3.4	3.4	10.2
	298	Redfearn Glass	298	−2	§†15.84	§3.1	8.3	(4.4)
	63	Reed Exec. 5p	63		†1.66	2.6	6.0	9.6
	127	Reed Intl. £1	127	−3	13.29	1.8	15.8	5.3
	16	Relyon PBWS	70		†h3.73	2.1	8.1	9.0
	187	Renown Inc. 'F50.	187		Q15	9	0.8	9
	17	Renwick Group	30		—	—	17.9	67
	53	Restmor	121		4.84	5.6	6.1	4.3
	16½	Rexmore	59xd	−2	†d3.91	2.4	10.0	4.7
	52½	Riley (E. J.) 10p	24½	−½	†2.54	—	15.7	—
	72	Rockware	124	−6	§5.2	4.5	6.4	5.3
	46½	Ropner Hldgs.	45½	−1	†1.94	4.8	6.4	6.0
	24	Do. 'A'.	44½	−1	†1.94	4.8	6.4	6.0
	82	Rotaprint 20p	29	−1	†2.66	2.8	8.1	6.6
	2½	Rowan & Boden	2½		§1.2	4.8	8.7	7.8
	33	Royal Worcs.	126	−1	†5.81	2.6	7.3	6.3
	51	Russell (A.) 10p	46		2.04	4.6	6.7	5.0
	16½	St.-Gobain Fra. 100	£18½	−¼	†h8.95	1.9	9.3	16.1
	46	Sale Tilney	197		§10.24	2.9	7.9	6.7
	21	Sangers Grp.	81xd		5.89	2.2	11.0	6.3
	49½	Scapa Group	104xd	−1	§5.44	3.6	7.9	5.4
	31½	Schlumberger $1	£52½	+½	§d1.30	3.7	0.1	27.3
	10	Scoterm	86	−2	†2.94	3.8	5.2	7.7
	15	Scotchy P.R.	198	−2	b8.25	6.4	9.6	6.6
	14	Scot. & Un. Invs.	87	−2	†4.92	1.7	8.8	10.4
	35	Sears Hldgs.	62	−1½	2.34	1.8	5.7	14.7
	16	Securicor Gp.	60		†1.14	6.8	2.9	4.8
	18	Do. 'A' N-V.	56		†1.14	6.8	3.1	4.8
	10	Security Services	78		†1.61	3.8	3.9	18.5
	47	Do. 'A' N-V.	67		†1.61	3.2	4.1	9.9
	97	Sharon Wave 20p	74	−1	†2.17	7.1	4.5	4.6
	172	Siebe Gorman	172	−2	§5.07	3.2	4.5	5.6
	33	Silentnight 10p	78		†3.7	3.8	7.2	9.6
	41	Silhouette 'A' 20p	41		†3.27	1.9	12.1	6.7
	19xd	Silv'rthorne 10p.	19xd		d1.2	9	9.6	9
	30	Simpson (S.) 'A'	30		3.81	3.5	5.8	6.5
	184	Sketchley	184		†4.26	1.9	6.2	13.1
	65	Smith&Nph. 10p	65	−1½	†d2.19	2.1	5.3	13.3
	153	Smiths Ind. 50p	153	−4	7.25	3.0	7.2	6.9
	55	Solic. Law 20p	55		†3.86	1.2	10.6	11.4
	28xd	Sonic	28xd		2.36	2.0	12.8	5.9
	198	Sotheby P.R.	198	−2	b8.25	6.4	9.6	6.6
	112	Sperrow (G. W.) 20p	112	+2	†h1.96	8.2	2.7	4.8
	233	Spear (J.W.)	233	−2	g1.88	16.7	1.2	7.0
	158	Stats. Potts	158	−2	3.55	4.2	3.9	6.7
	£275xd	Do. 8½% Cnv. Ln.	£275xd		Q8½%	12.6	6.5	—
	25	Stalker Int.	25	−1	§3.24	6.9	—	4.9
	49xd	Stag Furniture	49xd		2.6	5.1	5.1	8.2
	194	Stanley	194	−5	†5.86	4.8	6.6	6.9
	38	Steetley Rstt. HKS	38	+1	Q5%	1.1	12.0	7.7
	19½	Stenton Indt. 5p	19½		†1.17	1.6	9.3	4.9
	83	Stonehill Hldgs.	83		§6.0	1.7	11.0	8.2
	14½	Storage (F.)	14½		§0.71	3.9	7.4	3.6
	26	Sudbury Serv. 10p	26	−1	†1.04	3.3	6.0	7.5
	37	Sutcliffe Group	37	+2	†2.18	2.9	9.3	5.6
	£11½	Swedish Match KS	£11½		Q10%	0.1	5.6	264.9
	94½	Swire Pacific 5p.	94½		†b30c	1.4	3.7	19.6
	95	Sykes	95		§5.0	3.3	8.1	4.3
	7½	Tablet 5p	7½		0.27	3.7	—	10.5
	12½	Tanks Inv.	12½		—	—	—	—
	138	Tarmac 50p	138		†6.09	2.9	6.7	10.5
	7½	Tate Times Vn. 5p.	7½		†d0.39	1.0	7.7	6.6
	109	Tilling T. 20p	109	−4	†4.31	3.3	6.0	9.6
	99	Tomkins	99		—	—	—	—
	38	Torkington R. 20p	38	−1	§0.82	2.6	3.8	20.2
	142	Tower Hs. DM1	142		§5.16	4	5.6	8.9
	£25⅝	Trans. Ocn. DM1	£25⅝	−½	Q31.92	—	—	—
	70	Transport Dev.	70	−2	†2.89	1.9	6.3	12.6
	3½	Transvaal Gp. 10p	3½	−3	—	—	—	—
	202	Tarmac & Hve. £1	202	−3	†9.18	2.6	6.9	7.6
	84	Turner Cnrs. 5p	84		0.72	2.3	12.5	4.1
	18½xd	UKO Int.	18½xd	−2	†8.12	2.1	7.3	8.9
	96xd	Unicorn Indust's.	96xd	−2	†4.93	2.8	7.6	7.0
	39	Unilex 10p	39		d2.79	3.5	10.8	6.0
	246	Unilever	246		†11.36	3.2	3.7	7.2
	£23¼	Utd Nwspr. £1.12	£23¼		†d1.8	2.5	5.2	7.6
	49	Utd. Carriers 10p	49	−1	†2.1	4.3	6.9	5.5
	58	Utd. Gas Indy.	58	−½	§3.63	2.0	9.6	9.3
	14	Utd. Gtarantee 5p.	14		—	—	—	—
	3	Vanchrome	3		0.48	—	5.8	—
	14	Vaux	39	−2	†1.91	3.0	7.4	(5.1)
	23xd	Venesta	23xd		—	—	—	—
	28	Vinters 10p	28		2.14	1.6	11.6	7.5
	73½	Vinten Grp. 20p	73½	−1½	§1.54	5.6	3.2	8.9
	66	W. Ribbons 10p.	66	−1	§3.3	3.9	7.6	5.2
	27	Wade Potts. 10p.	27		1.29	4	7.3	4
	12½	Walker Hse. 5p.	12½	+1	d0.9	2.9	11.0	3.6
	63xd	Warren (Jas.) £1	63xd		—	—	—	—
	44	Waterford 5p	44		†b01.46	2.6	3.3	14.3
	264	Watson B.R. 10p.	264		3.62	3.2	2.7	17.4
	51½xd	Watts, Blake, Bear.	51½xd		†d2.15	2.4	6.3	9.9
	197	Weigwood	197	−3	†6.80	3.9	5.2	5.5
	26	Welsh Hldgs. 5p	26		0.5	8.1	4.8	2.9
	85	Wessex Board 10p	85		§3.35	1.6	9.2	9.9
	13½	Westmin. & Cty P	13½	+½	—	—	—	—
	39	W'lock M.H.K.S1.	39	+1	Q12½c	1.8	3.8	14.3
	52	Whatman R Angel	250	+2	†4.05	8.6	2.5	6.7
	25	Whitley (G.M.)	25		—	—	—	23
	83	White Child & R.	83		§4.4	2.6	6.9	5.6
	176xd	Whitecroft 50p.	176xd		§13.2	2.6	11.4	4.6
	44	Whitley R.S.A.W.	44		0.51	4.1	1.8	18.6
	45	Wilkes (J.)	45		3.50	1.9	11.8	(9.2)
	48	Wilkins Mitchell	48	−1	d0.1	—	0.5	—
	294	Will'ms M'ch £1	294	−2	§2.97	2.0	6.5	10.6
	293	Do. Non-Cnv.	293	−1	Q10%	12.1	10.6	—
	37½	Williams G.J.	37½	−1	†2.75	♦	11.3	5.6
	45	Wills (George)	45	+2	†d1.41	b5.5	4.8	4.9
	68	Wilson Walton 20p	68	−1	†3.23	2.7	7.2	7.9
	57	Wilton Indt. 20p	57	−1½	†2.54	2.0	10.4	7.3
	37	Winter (Thomas)	37		†2.85	2.0	11.7	6.7
	18	Wood & Sand 5p	18		†0.6	4.3	5.1	3.3
	24	Wood (Arthur) 5p	24		0.81	5.5	3.5	6.9
	90	Wood Hall	90		4.84	2.1	8.2	6.0
	51	Workers 5p	51	+1	1.16	3.6	3.5	12.2

INSURANCE

1977 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
		Boring (C.T.)	115	+1	†2.68	4.3	3.5	10.1
		Brentwd Bd. 10p	56		†1.26	3.3	3.1	14.7
		Britannic 5p	166	−2	8.35	—	7.6	—
		Cashland Am. $1	£12½		Q$1.00	—	4.5	—
		Comm. Union	143	+1	§7.65	—	8.2	—
		Eagle Star	153	−1	§8.12	—	6.1	—
		Eth & Gen. Inv. 10p	15		20.66	—	6.9	—
		Gen. UK Ins. Cw	£108	−1	Q9%	—	£8.4	—
		Equity & Law 5p	166	−2	b 08	—	5.6	—
		Gen. Accident	236	−2	§8.1	—	5.7	—
		Guardian Royal	246		†9.24	—	5.7	—
		Hambro Life	288	−7	†15.23	—	8.0	—
		Hogg Robinson	255	−5	†h4.4	5.2	2.8	10.2
		Jardine (A.) 10p	174	−2	5.60	3.1	4.9	10.2
		Legal & Gen. 5p	171	−5	†5.08	3.1	4.5	10.6
		Lib. & Colon. 10p	159	−3	†5.2	—	5.0	—
		Lon. & Manc. 5p	104	−3	†4.12	2.7	6.1	9.2
		Lon. & Scot. 25p	130		†5.19	—	6.0	—
		London United 5p	137	+5	3.82	4.2	4.2	8.2
		Manchester Ut. 20p	280		†8.99	2.5	6.8	8.9
		Mand. Reign. 20p	170	−5	†h3.03	4.4	2.7	12.3
		Marine Cas. 20p	68	−1	3.62	2.5	8.1	7.5
		Mark Sp.	248	−4	§2.48	—	5.8	—
		Minets 10p	26		1.41	—	5.4	—
		Mutual "A"	128		7.42	—	9.0	—
		Do. "B"	128		7.42	—	9.0	—
		Prudential 5p	151	−5	†6.08	—	6.1	—
		Reliance 10p	138	−3	7.36	—	8.1	—
		Royal	390	−3	†14.95	—	5.8	—
		Sedgwick Forbes 10p	145	−2	†9.59	2.6	4.0	16.2
		Stenhouse	200	−2	4.05	♦	6.3	♦

INSURANCE—Continued

1977 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
662	370	Sun Alliance £1	568	−3	†18.92	—	4.9	—
116	63	Sun Life Sp.	98		3.11	—	4.8	—
865	591	Tokio Mar. EOR	811	+16	§20p	—	0.6	—
176	115	Trade Indemnity	165		†7.64	—	7.0	—
£31½	£21½	Travelers $2.50	£23⅝		Q$1.28	—	3.1	—
210	194	Willis Faber	275	−5	†7.61	2.6	4.2	14.2

MOTORS, AIRCRAFT TRADES

Motors and Cycles

1977 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
28	17	Brit. Leyland 50p	22		—	—	—	—
365	230	Gen. Mtr. Units	236		18	1.7	6.7	8.8
57	16	Lotus Car 10p	43	−2	—	—	—	—
74	4	Reliant Mtr. 5p	5½		—	—	—	7.9
78	54	Rolls-Royce Mtr.	64	−½	†3.9	2.3	9.3	6.6
£19½	£7	Volvo Kr50	825	+25	Q12%	0.6	9.1	18.6

Commercial Vehicles

1977 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
101	24	Crane Fruch. 10p	99		†12.18	1.9	3.3	23.9
195	34	Eng. Mtr. Trdg.	136	−4	3.3	6.4	3.7	4.5
65	19	Fodens (50p)	56	−4	F3.25	4.2	8.8	(4.6)
14	7	Peak Invests. 10p	8½	+½	0.5	2.9	9.0	5.4
98	54	Tilcon	110		d6.59	2.9	9.1	5.8
60	11	York Trailer 10p.	59	+1	†2.11	4.5	5.5	6.9

Components

1977 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
60	32	Abbey Panels	58		2.64	4.5	6.9	5.0
75	35½	Airflow Stream	75	+1	†4.47	3.5	9.0	4.8
79	48	Armstrg Eq. 10p	63	−2	2.04	3.0	4.9	10.4
141	82	Assoc. Engt'g	115	−5	†4.62	3.4	6.1	8.8
112½	47½	Automotive	104	−2	1.96	8.8	2.7	6.7
63	33	Bluemel Bros.	60		†3.39	2.2	6.6	8.0
21	12	Brown Bros. 10p.	19½		†1.06	1.9	6.2	11.2
147	75	Clayton Dewandre	144		†16.07	1.5	6.4	15.7
174	95	Dowty 50p	153	−7	4.21	3.7	4.2	9.8
*124	78	Dunlop 50p	88	−3	§5.3	3.6	9.1	4.6
123	34	Flight Refuelling	118	−3	2.59	4.8	3.3	11.5
52	6½	Evans Smith 10p	9½		0.25	1.0	4.0	43.2
50	16½	Bob-Fil Hldgs. 5p.	50	+1	†0.71	3.5	2.2	16.1
205	205	Lucas Inds. £1	262	−7	§.22	4.7	4.8	6.8
31	14½	Supra Group 10p.	28		b0.77	b2.8	4.2	8.6
129	54	Turner Mfg.	108	−2	3.52	2.9	5.3	10.3
89½	51	Wilmot Breeden	63½	−½	†2.8	4.9	6.7	4.7
253	66	Woodhead (J.)	228	−5	†6.93	5.3	4.7	6.1
112	58	Zenith 'A' 50p	101	+1	4.0	2.7	6.8	9.5

Garages and Distributors

1977 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
78	41	Adams Gibbon	70	−1	4.01	4.1	8.7	4.3
12	4½	Alexanders Sp.	11		—	—	—	—
77	41	Appleyard Grp.	77	+1	4.47	2.6	8.8	7.8
114xd	39	Bellhouse Motor	114xd	−4	6.57	2.6	8.7	6.6
203	32	BSG Int. 10p	37½	−½	†2.1	2.9	8.5	5.3
36	21	Bristol Group 5p.	36		1.25	3.6	8.6	8.4
37½	12	Brit. Car Auc. 10p	37½	−1½	1.98	1.8	8.0	9.8
19	11	C.G.S.R. 10p	19		†1.3	1.4	10.3	10.3
98	70	Cahton 50p	98		5.84	2.1	9.2	7.9
41	25	Cowie (T.) 5p	41		d1.55	3.2	5.7	8.4
72½	22	Davis Godfrey	72½		†3.03	5.5	6.4	4.3
67	43	Dawson	67		4.79	1.3	9.5	12.7
42½	12	Dutton Forshaw	42½	−2	§2.76	2.6	9.8	5.9
51	17	Eales (F.)	51	+2	1.43	4.8	4.3	7.6
29	17	Glenfield Lawr.	29	−1	1.27	4.1	6.6	21.3
20	12	Hanger Invs. 10p.	20	+2	†h.42	9.7	3.7	4.7
39	11	Harrison (T.C.)	39	−1	†13.72	3.6	6.3	6.4
82		Hartwells	82		3.98	3.0	7.4	7.0
126½	73	Henlys 20p	126½	−3	†5.99	2.8	7.2	10.5
77½	41	Heron Mtr. Grp.	77½	−1	3.25	2.6	0.6	19.8
£124		Do. Non Cnv.	£124		Q10%	17.0	£8.7	—
72xd		Hurst (Charles)	72xd		£5.45	3.2	11.5	4.1
29½	12	Jessops 10p	29½	−½	1.55	4.6	8.0	4.4
73½	52	Kenning Mtr.	73½	−2	†4.15	3.2	8.7	6.3
27	4	Lex Service Grp.	27	−2	†3.41	2.7	7.0	9.9
46½	11½	Lex Service 'A'	46½	+1½	§2.46	4.2	8.0	4.9
69	35	Lyon & Lyon	69		†4.86	2.3	13.7	4.9
28½	10	Manchester 10p	28½	−½	†0.86	4.1	4.6	5.9
5¼		Nelson David 5p.	5¼		—	—	—	♦
4½		Penmbr Mtr. 10p	4½		—	—	—	♦
166	53	Perry (H.) Mtrs.	166	−3	†4.93	4.6	4.5	7.3
219	53	Reed (Stanley)	219	+3	†8.15	1.2	7.6	18.9
35	13	Quick (E. & J.) 5p	35	+3	§1.62	4.5	7.0	4.8
17½	6	Reynolds W.J. 5p	14½		§0.62	4.8	6.4	5.4
4½		Rist (Oliver) 5p.	4½		—	—	—	—
46	1	Tube of Leeds	46	−1	0.63	13.6	2.6	8.3
54	18	Wadham Str. 10p.	54	−½	†2.2	2.9	9.8	9.3
75	20	Western Mtr.	70	−5	2.0	5.3	4.9	6.5

NEWSPAPERS, PUBLISHERS

1977 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
148	120	Assoc. News.	148	−5	†5.23	4.1	5.4	6.9
156	82	Aus. Rstl'n P. 20p.	156	−8	†5.66	4.6	3.6	6.7
46	31	BPM Hldgs. 'A'	46	−1	2.87	2.4	9.5	5.8
56	32	Beaverbrook "A"	70		§3.5	—	—	—
59	31	Bond Brothers	59	−1	2.13	2.9	5.5	9.5
70	32	Blackfrs. & C.)	70		4.46	1.6	9.6	9.8
163xd	71	Bristol Post	163xd	−1	§5.8	2.2	8.5	8.0
152	52	Collins William	152	−1	†4.64	4.4	4.6

rhp
British precision bearings

FINANCIAL TIMES
Thursday December 15 1977

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Begin shows Carter total peace plan

BY ANTHONY McDERMOTT

THE PACE OF Middle East peace negotiations accelerated yesterday as Mr. Menahem Begin, Israel's Prime Minister, arrived unexpectedly early in Washington, carrying concrete proposals for an overall settlement.

In Cairo, direct negotiations between Egyptian and Israeli delegations began in the presence of representatives of *the U.S. and the United Nations.* In the inaugural speeches both Egyptian and Israeli delegates stressed they were seeking a comprehensive settlement and not a bilateral Egyptian-Israeli agreement.

Mr. Begin was quoted in an interview in yesterday's New York Times as saying that both Egypt and Israel had proposed draft peace treaties but that they would not deal with the most sensitive issues of territory and the Palestinians. On the latter issue, *it is clear that Egypt and* Israel are still far apart.

Mr. Begin's visit resulted from the Middle East tour by Mr. Cyrus Vance, the U.S. Secretary of State. Yesterday, Mr. Vance left for Saudi Arabia on the last *leg of his tour. He had failed in* Damascus to convince President Assad, who is leading the Arab campaign against President Sadat's initiatives, that the U.S. was seeking a comprehensive settlement and that the Cairo talks were only part of the preparations for the Geneva peace conference.

President Sadat said in a television interview that Mr. Begin's decision to confer with President Jimmy Carter was a "very im*portant development" and* showed that "we are really heading in the right direction."

However, an official in Cairo said he had no information about the possibility of President Sadat joining Mr. Begin in Washington *for a second round of* direct talks. The first round took place when Mr. Sadat flew to Jerusalem just over three weeks ago.

U.S. support

It is clear that as Mr. Begin is accompanied by both Professor Aharon M. Barak, his legal adviser and Brigadier Ephraim Poran, his military adviser, discussions in Washington will be very detailed. The visit *emphasises both the central role* of the U.S. in negotiations and Israel's need for U.S. support and approval for Mr. Begin's plans.

What these proposals may be precisely remains shrouded in secrecy. But on Tuesday night Mr. Moshe Dayan, Israel's Foreign Minister, spoke of the need for Israel to come to grips without delay with the question of its future borders both with Egypt and Jordan.

Israel's State radio yesterday reported that Israeli concessions included an almost total withdrawal from the Sinai Peninsula under a pact with Egypt to put an end to war, and the granting of a semi-autonomous status to the occupied West Bank of the Jordan with Israel retaining responsibility for its defence.

Mr. Dayan spoke of a settlement with Egypt in terms of territorial concessions, but, in relation to the West Bank and *the Gaza Strip, in terms of an* administrative rather than a territorial compromise.

He summed up: "If the Israeli Government is not able to say things which it thinks are right and realistic this time it is not fit to be the Government."

Cairo Talks Page 6

Inflation needs firm control still—Bank

BY MICHAEL BLANDEN

INFLATION remains the main economic problem of the U.K., and continued firm control over the money supply will be needed next year, the Bank of England says to-day in its Quarterly Bulletin.

The Bank suggests that the *economy may be entering a* "more hopeful phase," with a stronger balance of payments promising a more sustained expansion than possible recently.

It warns that the pace of expansion must be kept moderate, and emphasises that the rate of advance is likely to depend on continuing success in reducing inflation.

After a period of stagnation, "it would be imprudent to permit an over-rapid acceleration in the rate of growth, since this would be likely to give rise to short-run supply bottlenecks."

In setting new monetary targets for next year, "the posture of monetary policy, while accommodating a moderate rate of economic expansion, must clearly be such as to take full account of the need for inflation to be reduced."

MLR stability

Yesterday the Bank took a further step in its guidance on interest rates by giving a clear signal to the money markets that it wanted no change in current levels for the time being.

Earlier this week the market had felt that the Bank's minimum lending rate might drop *slightly on Friday. The Bank's* message, however, was taken to indicate that MLR could stay at its present 7 per cent. till after the turn of the year.

The Bank foresees renewed growth in the economy in the next 12 months at a pace sufficient to prevent any further rise in unemployment. It expects gross domestic product to expand by about 3 per cent. between the second half of this year and the second half of next, slightly lower than the 3½ per cent. *growth forecast by the Treasury.*

The Bulletin's forecasts of the balance of payments are more optimistic than the Treasury's with the current account surplus expected to reach £2½bn. next year compared with the Treasury estimate of £1½bn.

The Bank agrees that the benefits of North Sea oil should be used to strengthen the economy, but gives some support for the views of those commentators who would like to see an increase in investment abroad.

"*There is room both for more* domestic investment and for acquiring assets abroad or repaying overseas debt."

It is emphasised that the U.K. needs to maintain an external surplus both because of the $16bn. of official external debt maturing between 1978 and 1982, and the greater freedom of action the surplus will permit.

If opportunities provided by North Sea oil are properly used, significant growth could well continue for years. But the U.K. faces the immediate problem of bringing the inflation rate down further.

If wage settlements remain around the 10 per cent. level, inflation might be kept in single figures. But "it will take more *than the 12 months ahead to get* inflation adequately under control," and it was important to ensure that "money does not itself become a source of instability."

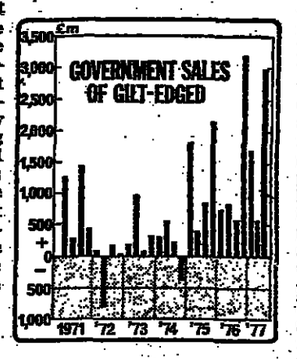
Details Page 9

THE LEX COLUMN

Cold draught for Guinness

The Bank of England moved firmly yesterday to ensure that money rates stay steady over the holiday period—there is no lip service paid to "market forces" any more—and the reasons are clarified in the Bank's quarterly Bulletin, published to-day. The point is that bank loan demand from companies, which was reduced by heavy currency inflows during the summer and autumn, could revive now that the inflows have been cut off. In these circumstances, to have left money rates at recent exceptionally low levels would have been to invite an excessive growth of bank lending in the months ahead.

Index fell 2.9 to 474.0



Guinness

At the halfway stage Guinness warned that it would be difficult to match last year's pre-tax profits so a virtually unchanged outturn of £39.4m. should not have come as too much of a surprise. However, a number of analysts have been hoping for something better given that Guinness has not suffered from the sort of labour problems that have dogged most of the other big brewers, while the dismal *summer should actually have* been good for sales of stout. So the shares fell 15p initially on the news, before closing 9p down on the day at 186p.

The big problem for Guinness *has been prices. Brewing profits* were badly hit by the Irish price freeze and the Irish contribution to group trading profits—disclosed for the first time—fell from 52 per cent. to 40 per cent. The other area where Guinness has encountered difficulty on prices was in its Nigerian affiliate—the sharp fall in profits here was the principal reason for the 90 per cent. drop in associate income.

However, Guinness's hotchpotch of non-brewing interests are finally starting to have a significant impact on profits and the general trading side, for instance, will probably earn around £10m. in the current year. So assuming a recovery in Irish profits (following the September price increase) and an increase in U.K. consumer spending Guinness should be on *target for profits of close to* £50m. in 1977-78.

Romalpa

With an increasing number of companies quietly writing Romalpa-type reservation of title clauses into their conditions of sale, conventional sales practice has been turned upside down. Instead of a buyer acquiring title to goods on delivery, they could remain the physical property of the seller until paid for. At the extreme, the use of such clauses could jeopardise the use of the most flexible financing tool available to bankers—the floating charge—and revolutionise company insolvency practice.

But all this could change if some sensible suggestions put forward by the accountancy bodies are adopted by the Insolvency Law Review Committee. Apart from recommending that reserved title contracts should have to be the subject of special agreement and appear in public registers, the accountants say they should be inoperative where goods become unidentifiable. There is also a good case for requiring companies to disclose in their accounts whether any material part of its stock is affected by reservation of title agreements.

Trafalgar House

With £46.4m. pre-tax, an improvement of 38 per cent., Trafalgar House has come fully up to the market's expectations for the year to September. The major advance has come on the shipping and hotels side, where after the exceptional first half growth of £6.1m. at the pre-interest level, a gain which in*cluded £3.9m. of ship sale* profits, the full year shows a rise of £8.3m. to £17.7m. The construction division has also produced growth, advancing £2.1m. to £16.9m., while the property contribution accelerated in the second half, reaching £7.9m. (up £2.5m.) for the year.

In the current year the group expects a further overall profits improvement, though the sources will be rather different. Shipping, for instance faces a more difficult climate: the U.S. longshoremen's strike has affected the early months and world trade is generally sluggish. The construction side looks set for a big advance, however, with the group's U.K. operations performing strongly thanks partly to the emphasis on the higher technology end of the industry. And earnings from property could benefit from some big disposals. Publishing will reflect the Morgan-Grampian takeover while Beaverbrook—after contributing a small loss in the final three months of 1976-77—has been showing a modest improvement since the year-end.

The balance sheet shows markedly lower gearing, decreasing from £230m. to £210m. whereas net worth is up from £91m. to £147m., partly because of the consolidation of deferred tax reserves. So the shares are well supported at 42p by the excellent recent record although the p/e of 7.5 is flattered by the choice of a 33 per cent. tax charge.

Seagram/Glenlivet

Seagram's agreed bid for Glenlivet values the business at £47m., which is more than twice as much as the stock market ever thought it was worth prior to this autumn's bid stories. It compares with net tangible assets of just £10½m. in the last balance sheet, and current *year profits of a bit over £4m.*

However Seagram is Glenlivet's biggest single customer, taking over a third of its output in the form of new filling, and it is anxious to guarantee *supplies for its rapidly growing* Chivas Regal brand. Glenlivet stocks are probably worth twice the book figure of £13m., the replacement value of the five distilleries and associated warehousing could be £25m. more than the historic cost figure.

The final explanation for the price is that sales of single malt whisky are rising by more than 20 *per cent. a year, and* Glenlivet's future profitability is to rise as malts account for an increasing proportion of Scotch sales. As the number of independent scotch whisky distillers gradually declines, so the scarcity rate rises for those that are left behind.

Bundesbank warns U.S. about falling dollar

BY ADRIAN DICKS

BONN, Dec. 14.

THE Bundesbank delivered a solemn warning to the U.S. Administration to-day that continued collapse of the dollar against the deutschemark could damage the prospects for stronger economic growth in West Germany because of its harmful effects on German export competitivity.

The warning, given in the Bank's report for December, followed the failure of the weekend Basle meeting of central bankers to reach agreement on any form of concerted operation to resist the fall in the dollar.

It underlined the sharp disagreement between European central bankers and the U.S. over exchange-rate policies, and came as the dollar slumped again to reach new low levels against the leading European currencies.

The U.S. currency dropped to DM2.1150 before closing the day at DM2.1350, against DM2.1505 on Tuesday. It reached a new low against the Swiss franc, ending at 2.0765. The Japanese yen also strengthened sharply, to 237.50 to the dollar.

The report appeared on the eve of a meeting of the Bundesbank's council which may well decide on a further lowering of West German interest rates.

[*The Belgian Central Bank* to-day raised its discount and lombard rates by 2 per cent. to 9 per cent. in order to stem the outflow from the franc to other currencies, particularly the D-Mark, which has been bringing strains on the European snake joint floating arrangement.]

In to-day's dealings in Frankfurt, the Bundesbank confined its "smoothing-out" interventions to the relatively very modest purchase of only $5.25m. However, it revealed in its monthly report that between October 1 and last Friday, it took in a total of DM9bn. in foreign currency through intervention operations on behalf of the dollar and within the European "snake."

During the same period, the Bundesbank disclosed, the New York Federal Reserve Bank spent about DM1bn., made available to it through central bank swap lines, a disparity that may help to explain part of the strong disagreement between European central bankers and their U.S. colleagues reported from this week's Basle talks.

Meanwhile, one of West Ger*many's leading private bankers,* Herr Wilfried Guth, co-chairman of Dutsche bank, called on "the highest levels" of the U.S. Administration to make "a clear and binding" statement of policy on the dollar that would commit *the U.S. to reduce progressively* its payments deficit during 1978, and to substantial intervention in foreign exchange markets to defend the dollar.

The Bundesbank report makes plain that the rise of the D-Mark against the dollar is now the central concern of the West German authorities.

"A further strong growth in the Federal Republic—as every economic forecast for 1978 so far assumes—is only conceivable if world trade increases appreciably next year and if the German economy can maintain its market share," the Central Bank says.

The report is the Bundesbank's last comment on the economic situation before it has to set guidelines again for the growth of the money supply in 1978.

During the past few months, figures published to-day underline both the broadly-defined money supply, M3, and the Central Bank money stock (the indicator for which the Bundesbank's target is set) have been rising at somewhat over 9 per cent.

The Bundesbank writes that it has tolerated this divergence *from its target of 8 per cent.* so as to ensure ample and cheap credit — adding to speculation that the 1978 target is more likely to be in the 8 per cent-plus range than at the lower levels called for by a good many *independent economists.*

Tate and Lyle wins ATV film ban

BY MARK WEBSTER

A HIGH COURT injunction last night prevented independent television from showing a documentary about working conditions for blacks with British companies in South Africa.

After a three-and-a-half-hour private hearing, Deputy Judge Roy Beldam, QC, granted the injunction to Tate and Lyle, the sugar company, after it had complained about material included in the programme, made by Associated Television.

The judge's decision prevents ATV from "publishing or causing to be broadcast references to Tate and Lyle in the television film entitled Working for Britain. It is effective for six days. The programme was to have been the third in a series on South Africa.

ATV said it would be appealing against the decision. If it was successful, the film would be shown next Wednesday instead of the fourth programme in the series.

The injunction marks the climax of months of research by Tate and Lyle after it heard that an ATV crew had been filming on a sugar estate at Doornkop, near Durban, which formerly belonged to Tate and Lyle.

Affidavits taken from black workers filmed on the estate were contradictory to statements they had made to the film crew. Tate has been trying for some weeks to persuade ATV to exclude all mention of the company from its documentary and ATV had agreed to cut three interviews.

A company spokesman said after the hearing: "Naturally, we are relieved and delighted by this judgment.

"As we have stated, this programme's sequence on our former company in South Africa was inaccurate and wholly distorted." He said Tate would now try to have the ban made permanent.

Mr. Charles Denton, ATV controller, said ATV would not give up its fight to get the documentary screened and would appeal as soon as possible.

The Independent Broadcasting Authority, to which Tate and Lyle had appealed for action before the court case, said it would not be intervening the dispute. "This is a matter for the court."

Soviet industrial growth target lowest since war

BY DAVID SATTER

MOSCOW, Dec. 14.

THE SOVIET UNION to-day announced a growth target for *heavy industrial production in* 1978 which is the lowest since the Second World War. It also revealed that the 1977 grain harvest, at 195.4m. tonnes, was almost 20m. tonnes below target.

Mr. Nikolai Baibakov, chair*man of the State Planning Com*mittee, made the announcement in the course of presenting exceedingly modest growth targets included in the 1978 Soviet Economic Plan to a session of the Supreme Soviet in the Kremlin.

His description of the 1978 plan comes amid an intense debate among senior Soviet officials over whether statistics measuring growth and the output-oriented economy are still wholly appropriate for a state at the Soviet Union's stage of economic development.

Mr. Baibakov said the 1978 economic plan would focus on the "intensification of production." Industrial production as a whole, was to rise 4.5 per cent. *In 1978 compared with 1977's* target of 5.6 per cent., which is likely to be exceeded.

At the same time, heavy industrial (or Category "A") production, traditionally the focus of the annual Soviet Plan, was to increase by only 4.7 per cent. in 1978 compared to the 5.9 per cent. target for this year. Light industrial (Category "B") production was to go up by 3.8 per cent. compared with a 1977 target of 4.9 per cent.

An important feature of the *1978 plan would be the investment* of Rbs.125.5bn. (£96.54bn.) in capital construction, 3.4 per cent. more than this year's target Mr. Baibakov said. Only a small number of construction projects would be started, though 88 per cent. of existing projects would be completed.

National income, a Soviet measure similar to but not identical to Gross National Product, would grow by Rbs.15.6bn. in *1978 according to the plan. Per* capita income, Mr. Baibakov said, would rise by three per cent.

Mr. Baibakov also announced the 1978 production targets in agriculture: 220m. tonnes of grain; 7.5m. tonnes of sunflowers; 96.2m. tonnes of sugarbeet; 95.4m. tonnes of milk; and 62.6bn. tons of eggs.

Mr. Baibakov said that the 1978 investment in agriculture would total Rbs.33.6bn., in keeping with the 1976-80 goal to *mechanise and improve Soviet* agriculture.

Mr. Vasily Garbuzov, Finance Minister, in a separate speech, presented the Soviet Union's draft annual budget to the Supreme Soviet session. It showed total expenditures of Rbs.246bn. of which Rbs.17.2bn. or 7 per cent. was allocated for defence, the same percentage as last year.

Western defence experts believe, however, that the ostensible Soviet defence budget *shows only a part of total defence* spending, with the remainder concealed under other categories.

Details Page 4
Editorial Comment Page 22

Continued from Page 1

ACAS

kind of inter-union recognition problems ACAS has run into with Mr. John Lyons' Engineers and Managers Association. Mr. Lyons is suing the TUC to reverse an award under the Bridlington "no poaching" rules, and has threatened to sue ACAS if it does not press ahead with a recognition inquiry meanwhile.

Mr. Mikardo's Bill would allow ACAS to stand aside until Bridlington procedure was exhausted.

The ACAS council met yesterday and discussed the Lords verdict. But it decided to refrain from any collective view about the merit of the two Bills. It id, however, decide not to proceed with the EMA case while the writ against the TUC was outstanding.

Lord Diplock, senior Law Lord presiding, said ACAS had a mandatory obligation to take the views of every significantly sized group of workers affected by a recommendation on recognition.

This did not mean that ACAS had to canvass every single workers. But ACAS had failed to take the opinions of more than 200 weekly paid staff then still working for Grunwick.

In this case, Grunwick had done nothing unlawful. An employers was under no legal obligation to cooperate with ACAS in its inquiries on a recognition issue.

Lord Diplock said he sympathised with ACAS in the dilemma it was in because of Mr. Ward's non-cooperation. But ACAS should have devised other ways of ascertaining the workers' views or reported that it could not make a recommendation.

Lord Salmon, said he believed ACAS, if it tried hard enough would always be able to ascertain the views of workers to whom a recognition issue related. ACAS had wide powers and safeguards were necessary to protect individual liberty.

Mr. Mortimer said he accepted the decision and the case of Grunwick was not typical of British industrial relations.

The decision, however would encourage "the small minority" of companies which do not now *co-operate with ACAS* and those which have no sympathy with collective bargaining.

Brussels clears sugar exports

THE COMMON Market Commission exceeded market expectations yesterday, authorising the export of 69,170 tonnes of white *sugar at its weekly tender.*

Traders had believed earlier in the day that licences would be issued for 50,000 to 60,000 tonnes at the most.

The maximum export subsidy was reduced, however, from 22.259 units of account per 100 kilos to 21.989 u.a. Last week Brussels cleared 71,250 tonnes of whites for export.

Sunderland Shipbuilders announces £9m. order

SUNDERLAND Shipbuilders announced last night that it had won an order to build a 16,500 deadweight ton cargo vessel worth about £9m. for Palm Line, *a Unilever subsidiary.*

The order was obtained with the help of a subsidy, of an undisclosed amount, from the Government's £65m. shipbuilding intervention fund, of which about £10m. now remains.

The ship will be built at the group's North Sands Yard, which now has work to last well into 1979. When, as is expected, Sunderland books an order for six 16,500 dwt cargo ships from the Shipping Corporation of India early in 1978, the group will have one of the strongest order books in the U.K. industry.

Mr. Jim Gilfillan, chairman of Sunderland Shipbuilding, said last night that he had received informal undertakings from his workforce that everything possible would be done to meet delivery dates on the order. There had not been any requirement for signed assurances, as has been the case in allocation of work on the £115m. British Shipbuilders Polish shipbuilding deal.

So far this year, Sunderland has taken nine orders aggregating 186,000 dwt, with a value of almost £80m.

Continued from Page 1

Saudi deal

tough and there would be very hard competition over the next big tender but "we'll be there."

The Ericsson share price rose Kr.11 to close at Kr.135 on the Stockholm Stock exchange to-day.

Other Ericsson executives did not hide their jubilation over the Saudi order which is seen as confirming the technical superiority of their AXE system over its rivals. It is now in service or on order in eight countries.

One of its major advantages is its modular construction—a series of black boxes—which applies not only to the hardware equipment but also to the accompanying software. It is claimed to cut maintenance costs substantially and to allow for the updating of equipment as components are modernised.

Competitors have charged that the Swedish-Dutch Canadian group put in a very low bid for the management and maintenance part of the contract. An Ericsson executive said that Bell Canada had plenty of experience in administering telephone systems, its tender had been correctly priced and it would be more pertinent to ask why other groups' offers for the maintenance contract had been so high.

John Lloyd writes: The three *U.K. companies—BICC, Cable* and Wireless and Plessey—each stood to gain contracts worth around £100m.

Plessey would have supplied its TXE2 exchange, for rural use; BICC would have supplied the cables and Cable and Wireless would have been responsible for much of the operation and management of the system.

Weather

U.K. TO-DAY

NORMAL. Cloudy with rain.

London, S.E. England, E. Anglia, Cent. S. England, E. Midlands, E. England, W. Midlands, Channel Islands, S.W. England, Cent. N. England

Dry, fog patches morning and evening. Wind S.W., light. Max. SC (46F).

N. and S. Wales, N.W. England, N.E. England

Dry, bright periods. Wind S.W., light. Max. 10C (50F).

Lake District, Isle of Man, Borders, Edinburgh and Dundee areas, Aberdeen area, S.W. Scotland, Glasgow area, N. Ireland

Cloudy, occasional rain. Wind S.W., moderate. Max. 10C (50F).

Central Highlands, Moray Firth area, N.E. Scotland, Argyll, N.W. Scotland, Orkney, Shetland

Occasional rain, bright intervals. Wind S.W., fresh or strong. Max. 10C (50F).

BUSINESS CENTRES

		Y'day mid-day °C	°F			Y'day mid-day °C	°F
Amsrdm.	C	9	48	Luxemb'g	D	4	39
Athens	F	9	48	Madrid	C	11	52
Bahrain	S	20	69	Manchestr.	C	9	48
Barcelona	S	14	57	Melbourne	C	28	82
Beirut	C	17	63	Mexico C.	C	15	59
Belfast	C	10	50	Milan	S	9	48
Belgrade	C	−6	21	Montreal	S	−9	16
Berlin	D	6	43	Moscow	S	−10	14
Brmshm.	F	9	48	Munich	C	4	39
Bristol	F	9	48	Newcastle	C	11	52
Brussels	D	9	48	New York	R	4	39
Budapest	C	−2	28	Oslo	F	−1	30
B. Aires	S	25	78	Paris	C	9	48
Cairo	S	17	63	Perth	S	29	84
Cardiff	S	9	48	Prague	F	2	36
Chicago	S	2	36	Reykjavik	C	4	39
Cologne	D	7	45	Rio de J'o	S	30	86
Copnhagn.	C	6	43	Rome	C	11	52
Dublin	C	11	52	Singapore	C	27	81
Edinburgh	C	11	52	Stockholm	S	3	37
Frankfurt	C	2	36	Strasbourg	C	4	39
Geneva	C	7	45	Sydney	S	27	81
Glasgow	C	10	50	Tehran	Sn	5	41
Helsinki	F	3	37	Tokyo	S	14	57
H. Kong	S	20	70	Toronto	R	1	34
Jo'burg	C	25	77	Vienna	C	−2	28
Lisbon	F	13	55	Warsaw	D	2	36
London	C	9	48	Zurich	C	5	41

HOLIDAY RESORTS

Ajaccio	C	12	54	Las Plms.	C	18	64
Algiers	C	16	61	Locarno	S	7	45
Biarritz	F	9	48	Majorca	S	14	57
Blackpool	C	9	48	Malaga	F	16	61
Bordeaux	S	7	45	Malta	C	13	55
Boulogne	C	10	50	Nairobi	R	20	68
Casablnca.	F	18	64	Naples	F	12	54
Cape Town	C	21	70	Nassau	C	27	81
Corfu	S	11	52	Nice	S	17	63
Faro	S	17	63	Oporto	S	16	61
Florence	S	11	52	Rhodes	S	10	50
Funchal	C	18	64	Salzburg	C	6	43
Gibraltar	C	17	63	Tangier	S	19	66
Guernsey	F	9	48	Tenerife	C	13	55
Innsbruck	F	5	41	Tunis	F	18	57
Inverness	S	12	54	Valencia	D	13	55
Istanbul	R	2	36	Venice	S	8	46

S—Sunny. F—Fair. C—Cloudy. F—Fog. D—Drizzle. R—Rain. Sn—Snow.

Braithwaite & Co. Engineers Limited

Bridge and Constructional Engineers

Directors' Interim Report to the Shareholders for the half year ended 30th September 1977

	Half-year ended 30.9.77 £	Half-year ended 30.9.76 £	Year ended 31.3.77 £
Turnover	5,094,000	6,281,000	13,006,0[illegible]
Trading Profit of the Group (unaudited)	464,381	928,011	2,032,8[illegible]
Special payment to Pension Fund	—	—	(109,0[illegible])
	464,381	928,011	1,923,8[illegible]
Corporation Tax at 52%	(241,000)	(483,000)	(1,008,5[illegible])
	223,381	445,011	915,3[illegible]
Preference Dividend	(3,937)	(3,937)	(7,87[illegible])
Profit attributable to the Ordinary Shareholders (there are no minority interests)	219,444	441,074	907,4[illegible]
Ordinary Dividend	(53,460)	(48,263)	(103,8[illegible])
Retained Profit	165,984	392,811	803,6[illegible]
Earnings per £1 Ordinary Share	8.1p	16.3p	33.6[illegible]
Ordinary Dividends per Share	2.0p	1.8p	3.[illegible]

NOTE: Earnings and dividends per share are based on the increased Ordinary Share Capital (2,700,000 shares) following the Scrip Issue in September 1977.

■ The reduced profit for the period arises partly from tighter margins in the heavy sector of the Construction Industry.

■ The profit is after payment of the Profit Sharing Scheme referred to in the Chairman's Statement in July.

■ Excluding unforeseen circumstances, it is expected that the profits for the second half year will appreciably exceed those achieved in the first half.

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